

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

NORTHERN DISTRICT OF TEXAS
FILED

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CLERK, U.S. DISTRICT COURT
By _____
Deputy

DAVID MIDDLEBROOK, JAMES GUINN,
DONALD GUINN, and WORLD HEALING
CENTER CHURCH, INC.,
d/b/a BENNY HINN MINISTRIES

Plaintiffs,

v.

STEVEN ANDERSON and
HEALING WATERS CHURCH, INC.

Defendants.

Civil Action No. 304CV2294D

**PLAINTIFFS' BRIEF IN OPPOSITION
TO DEFENDANTS' MOTION TO DISMISS**

The defendants “pick[ed] a fight in Texas” with the plaintiffs; accordingly, “it is reasonable to expect that it be settled there.” *Revell v. Lidov*, 317 F.3d 467, 476 (C.A. 5 2002).

The plaintiffs in this case—a Dallas attorney, two Dallas accountants and Benny Hinn Ministries, all residents of Texas—have sued two residents of California, defendant Stephen Anderson and the church of which he purports to be a pastor, Healing Waters Church, Inc. Those defendants posted on their website numerous false and defamatory statements about plaintiffs, accusing plaintiffs of various criminal and unethical acts. Defendants then retained a private investigator in Texas to investigate plaintiffs; sent electronic mail messages to numerous persons in Texas repeating the false and defamatory allegations about plaintiffs made by defendants on their website and urging the recipients in Texas to communicate with that website; solicited persons in Texas to conduct an investigation in Texas into the private life of plaintiff

David Middlebrook and the other plaintiffs as a way of helping defendants; urged persons in Texas to communicate to defendants through defendants' website if such persons had any information, photographs, or documents relating to the private lives of the plaintiffs; published on their website various documents relating to criminal investigations in Texas, including a Texas arrest record of one of the plaintiffs; placed on their website various links to various documents generated by or relating to federal and state law enforcement officials in Texas; and stated that their website was, at least in part, presenting the results of investigations by Texas law enforcement authorities.

When defendants directed this activity to Texas, they knew that the plaintiffs were all residents of Texas. Indeed, defendants knew that the individual plaintiffs—David Middlebrook, James Guinn, and Donald Guinn—were well-respected professionals long-established in Dallas, Texas, and that the organizational defendants, World Healing Center Church, Inc., had its base of operations in Grapevine, Texas. Defendants thus well knew that the effect their false and defamatory messages would have would occur mostly in Texas.

And when defendants sent their false and defamatory messages to various persons in Texas, they used a list of email addresses they had obtained in Texas from plaintiffs Middlebrook and the Guinns at a seminar held in Irving, Texas in 2002, a seminar that the defendants had themselves attended.

Defendants have thus orchestrated a campaign to hurt plaintiffs where they live, in their home state of Texas. Yet in the teeth of this uncontrovertible evidence, defendants have found the temerity to move to try to weasel out of having to defend their actions in this Court on two grounds: (1) that because defendants have insufficient contacts with this forum, the Due Process Clause of the Fourteenth Amendment prohibits the exercise of personal jurisdiction over

them by this Court; and (2) that venue is not proper here, because a substantial part of the events giving rise to plaintiffs' claims occurred elsewhere.

As the above summary of facts demonstrates, neither ground has merit. The exercise of personal jurisdiction over defendants here does not offend the Due Process Clause, because defendants deliberately engaged in many acts in the State of Texas. Venue lies here as well, not only because Texas is the site to which defendants directed their tortious activities, but also because Texas, where the plaintiffs reside and carry on their professional and personal lives, is the location of the harm that defendants deliberately caused.

I. BACKGROUND FACTS

The Complaint and the attached Declarations Under Penalty of Perjury Of David Middlebrook and Donald Guinn and the attached Affidavits of Michael D. Clarke and Stephen M. Lacy establish the following facts relevant to the issues of personal jurisdiction and venue.

A. Plaintiffs' Texas Background

Attached to this Memorandum as Exhibit 1 is the Declaration Under Penalty Of Perjury Of David Middlebrook ("Middlebrook Declaration"). In his Declaration, Mr. Middlebrook testifies that he resides at 4324 Castle Rock Court, Irving, Dallas County, TX 75038. Middlebrook Declaration ¶ 6. He is a member in good standing of the Texas State Bar, and has been since 1989. *Id.* ¶ 7. Mr. Middlebrook currently carries on the practice of law full-time at the firm of Brewer, Anthony, Middlebrook, Burley & Dunn, P.C., located at Suite 150, 1159 Cottonwood Lane, Irving, Texas 75038, where he is a principal. *Id.* ¶ 8.

Mr. Middlebrook has lived in Texas continuously since enrolling in law school at Southern Methodist University in 1986 and has carried on the practice of law continuously in

Dallas County, Texas, since graduation from S.M.U. in 1989. *Id.* ¶¶ 9-10. During 1995-1996, Mr. Middlebrook was the president of the Irving, Texas Bar Association. *Id.* ¶ 11. Mr. Middlebrook is a member of the Texas, Colorado, District of Columbia, and the American Bar Associations. *Id.* ¶ 12. Since moving to Texas, Mr. Middlebrook has worked hard to establish an excellent reputation in Dallas County as an attorney and as a good citizen in his own community as well. *Id.* ¶ 13.

Many of Mr. Middlebrook's clients are non-profit religious organizations within the State of Texas. *Id.* ¶ 14. While he maintains clients on a national basis, many of them come from the State of Texas as well. *Id.* ¶ 15. Mr. Middlebrook works with many other attorneys, certified public accountants, and other professionals in Texas in connection with his legal work. *Id.* ¶ 16.

Since moving to Texas in 1986, Mr. Middlebrook has been active in religious and civic activities in Texas. *Id.* ¶ 17.

Mr. Middlebrook works closely on many matters with two (2) of the other plaintiffs in this case, James Guinn and Donald Guinn, both C.P.A.s. The Guinns reside and practice their profession in Texas, and each is licensed by the State of Texas as a certified public accountant. *Id.* ¶ 18. One of Mr. Middlebrook's other clients is the corporate plaintiff in this case, World Healing Center Church, Inc., also known as Benny Hinn Ministries. (Its senior pastor is Pastor Benny Hinn.) *Id.* ¶¶ 19-20. Benny Hinn Ministries maintains its main corporate headquarters in Grapevine, Tarrant County, Texas, *id.* ¶ 21, where it has been located since October 1999. *Id.* ¶ 22. The Ministry employs several hundred persons in Texas and it conducts business activities related to organizing and facilitating its non-profit ministry from Texas. *Ibid.*

Benny Hinn Ministries has received extensive publicity in Texas since moving to Grapevine, as it is one of the largest church organizations in the country. *Id.* ¶ 23. It engages in numerous business activities in Texas on a regular basis, including contracting with other Texas individuals and businesses for both products and services, employs many residents or citizens of Texas on a full, part-time, and independent contractor basis, it has many members in Texas, and solicits and receives substantial funds from Texas residents every year. *Ibid.* Plaintiff World Healing Center Church, Inc. and Pastor Benny Hinn are well-known in the evangelical community in the United States as being based in Texas. *Id.* ¶ 24.

B. Defendants' Defamatory Publications

In Fall 2004, Mr. Middlebrook learned that the defendants in this case, Steven Anderson and a church with which he was affiliated, defendant Healing Waters Church, Inc., had published a number of articles on a website that defendants maintained on the World Wide Web and that was accessible to anyone on the Internet. *Id.* ¶¶ 25-26. These publications on defendants' website ostensibly related to an ongoing Federal criminal investigation of a Ponzi scheme, but in fact they mostly contained allegations that Mr. Middlebrook and the other plaintiffs in this case were involved in a conspiracy to foster the Ponzi scheme and other criminal or unethical conduct. *Id.* ¶ 26. Attached to the Middlebrook Declaration as Exhibit A are photocopies of various materials published on the Internet by defendants and referring to plaintiffs in this case. *Id.* ¶ 27. The allegations made about plaintiffs by defendants on their website included the following:

--that Mr. Middlebrook "set up" his clients to get in trouble so he could bill them for representation to help them, *id.* ¶ 27; *id.* Exhibit A;

--that Mr. Middlebrook, in conjunction with plaintiffs James and Donald Guinn, run a ““Protection Racket” used by the Mob for years” to force clients to pay them to protect them from investigations that plaintiffs instigate and charges that plaintiffs trump up against them, *ibid.*;

--that Mr. Middlebrook “targets a lucrative ministry” to defraud, *ibid.*;

--that Mr. Middlebrook employs “goons” who communicate with that ministry with the purpose of defrauding it, *ibid.*;

--that Mr. Middlebrook and his “goons,” whom defendants identify as plaintiffs James and Donald Guinn, then defraud the ministry by falsely telling the ministry it faces serious problems and obtaining money to make that fictitious problem go away, *ibid.*;

--that the other plaintiffs have engaged in various schemes to launder “ill gotten gains” through Panamanian banks, *ibid.*;

--that the plaintiffs have punished and discredited persons who have refused to help them launder money, *ibid.*;

--that Mr. Middlebrook has engaged in numerous conflicts of interest in representing clients, *ibid.*;

--that Mr. Middlebrook has illegal access to secret grand jury information, *ibid.*;

--that various persons have refused to hire Mr. Middlebrook as an attorney because they “saw right thru” [sic] his “scare tactics,” *ibid.*;

--that Pastor Benny Hinn wanted for a long time to “get rid of” Mr. Middlebrook, but could not because Mr. Middlebrook “had to [sic] much on Benny” and blackmailed Pastor Hinn, *ibid.*;

--that there were rumors that Mr. Middlebrook had “compromising photos” of Pastor Hinn that Mr. Middlebrook used to blackmail Pastor Hinn, *ibid.*;

--that Mr. Middlebrook has a “starring role” in an ongoing federal criminal investigation as a “key witness,” *ibid.*;

--that Mr. Middlebrook is an “opportunist,” *ibid.*;
and

--that Mr. Middlebrook is “dangerous” and “baaaaaaaaaaaaaaaaaaaaaad!!!!!!” [sic]. *Ibid.*

None of these statements about any of the plaintiffs are true; each is false and each is defamatory. *Id.* ¶ 28.

Worse, in connection with divorce proceedings between Mr. Middlebrook and his wife, Mr. Middlebrook’s wife falsely accused Mr. Middlebrook of performing indecent acts with his children. *Id.* ¶ 29. The District Attorney for Dallas County, Texas, refused to prosecute these charges. Defendants nevertheless, on their website at various places, published the “mug shot” taken of Mr. Middlebrook when he was arrested for these false charges, and next to that photograph posted the following language in large, bold-face type: **“David Middlebrook Mug shot at 2003 arrest for child indecency.”** This same photograph appeared several times on defendants’ website, always with a reference to Mr. Middlebrook’s “arrest for child indecency,” usually without any reference to the fact that the Grand Jury had refused to vote a bill against Mr. Middlebrook, that the District Attorney’s office had refused to prosecute the charges further, or that these charges had been brought in a divorce action. By clicking on the words “arrest for child indecency,” the reader was taken to a page containing a police record of Mr. Middlebrook’s arrest, with the mug shot again displayed, and with the false charges against him spelled out. *Id.* ¶ 29. And while at one point, defendants published statements attributed to the Trinity Foundation to the effect that the District Attorney had not prosecuted the charges because they were false, defendants presented even this statement in a misleading format by

underlining the words, “child indecency charges Middlebrook was arrested for...,” thereby allowing the reader to click on those words and go to the police record. *Id.* ¶ 30.

Indeed, defendants on their website also provided a copy of the arrest record, complete with the mug shot and the false charges against Mr. Middlebrook. *Id.* ¶ 31. When that mug shot was taken, Mr. Middlebrook was in shock and despair that he could be falsely arrested for such heinous acts involving his own children. Taken in harsh light under the most adverse conditions, this photograph indeed makes him look like a disreputable person. *Id.* ¶ 32.

C. Defendants’ Contacts With Texas

In these postings on their website about plaintiffs, defendants made several references to their contacts with the State of Texas. For example, defendants’ website stated that they had “turned to the Trinity Foundation” to investigate “terrible rumors” about Pastor Hinn and Mr. Middlebrook, identifying the Trinity Foundation as a “watchdog foundation that maintains a private investigative license with the State of Texas.” Mr. Middlebrook knows from his own personal knowledge that the Trinity Foundation is located in Texas. *Id.* ¶ 33.

On that website, defendants went so far as to solicit persons in the State of Texas to help defendants by investigating Mr. Middlebrook and his private life in Texas and to provide them with documents, photographs, and other information about Mr. Middlebrook. Defendants’ website posting said in large, bold-face, all capital type:

“HELP WANTED! PRIVATE INVESTIGATORS
NEEDED-PHOTOGRAPHERS NEEDED
INFO, DOCUMENTS AND PICTURES OF DAVID
MIDDLEBROOK WANTED TO POST HERE
WHERE HE LIVES, SPENDS MONEY, WHO HE
HANGS OUT WITH. THIS ATTORNEY’S WHOLE

LIFE NEEDS TO BE EXPOSED HERE. INQUIRE
WITHIN CLICK HERE HELP, I CAN'T DO IT
ALONE!" *Id.* ¶ 34.

This plea for help in investigating Mr. Middlebrook's life in Texas was followed by information on how to access defendants' website and how to communicate with defendants by mail, telephone, fax, and email. *Id.* ¶ 35. When they solicited persons to investigate Mr. Middlebrook and to provide information about his personal life, defendants knew that he lived in Texas. At several points on their website, for example, they referred to Mr. Middlebrook's arrest in Texas, as noted above, and provided links to or copies of the police records that listed Mr. Middlebrook's address as being in Texas. *Id.* ¶ 36. They stated they hired a Texas private investigative firm, Trinity Foundation, to investigate "rumors" about Mr. Middlebrook, and asserted on their website that Mr. Middlebrook was "based out of" Dallas, Texas. *Ibid.*

Indeed, in Fall 2002, defendant Anderson had attended a seminar in Irving, Texas, put on by Mr. Middlebrook and his law firm and by plaintiffs James Guinn and Donald Guinn. *Id.* ¶ 37. At that seminar, Mr. Middlebrook was identified to the attendees as a Texas attorney. *Ibid.* At that same seminar, defendant Anderson approached Mr. Middlebrook and asked Mr. Middlebrook and his law firm to represent defendant Anderson in a legal dispute in California. In particular, defendant Anderson told Mr. Middlebrook that he was involved in a "whistleblower" action regarding complaints defendant Anderson had made against local officials in his community. *Ibid.* Mr. Middlebrook told defendant Anderson that this was not the kind of case that Mr. Middlebrook's firm would handle outside Texas, as it did not involve non-profit issues. *Ibid.*

On defendants' website, they also posted the following statement in connection with their references to the plaintiffs: "This page partially refers to the ongoing investigation and

prosecution by the United States Attorney's Office, the Securities Fraud Task Force, which includes representatives from the Securities and Exchange Commission, the Texas State Securities Board, the Federal Bureau of Investigation and the Internal Revenue Service along with the public tenaciousness [*sic*] of Rev. Steve Anderson [*sic*] and others." *Id.* ¶ 38.

At various places throughout their website, near where references were made to the plaintiffs, defendants referred to a federal criminal investigation that was ongoing in the Northern District Of Texas into the activities of one Greg Setser. These references included the posting of a copy of an indictment handed up on the Northern District of Texas in connection with that investigation and various press releases issued by the office of the United States Attorney for the Northern District Of Texas. The purport of these communications was to try to tie plaintiffs into the criminal wrongdoing being investigated in Texas. *Id.* ¶ 39.

D. Defendants' Emails To Texas

On or about October 11, 2004, Mr. Middlebrook began to hear from various persons who lived and worked in the State of Texas that they had received, or someone in their organization had received, an electronic mail message from defendants addressed "To: Mass Mailing." *Id.* ¶ 40. (Attached to the Middlebrook Declaration as Exhibit B is a complete and accurate photocopy of one of these messages, as received by a person living in the State of Texas. *Ibid.*) This email message from defendants contained many of the false and defamatory statements accusing plaintiffs of criminal, unethical, fraudulent, and wrongful behavior that were posted on defendants' website, as noted above. Each of defendants' email messages contained a link labeled "FULL TEXT AT WWW.STEVE4U.COM/DAVIDMIDDLEBROOK.HTM." *Ibid.*

Each of these electronic mail messages from defendants asked the recipient to “TELL REV. STEVE WHAT YOU THINK” and solicited persons to investigate plaintiffs, using the following language, again in large, bold-face, all capital typeface:

“HELP WANTED! INFORMANTS NEEDED
PRIVATE INVESTIGATORS NEEDED
FREELANCE PHOTOGRAPHERS NEEDED
KNOWLEDGEABLE SOURCES NEEDED TO COME
FORWARDED [SIC]
ANONYMITY OK
TRUTHFUL INFO, DOCUMENTS, STORIES AND
PICTURES OF DAVID MIDDLEBROOK AND
GUINN SMITH WANTED TO POST ON STEVE4U.
HELP, I CAN’T DO IT ALONE!” *Id.* ¶ 41.

This request for help in investigating plaintiffs was followed by the words “REV. STEVE ANDERSON ... *FOR YOU!* HEALING WATERS CHURCH,” and the telephone and fax numbers and website for defendants. *Id.* ¶ 42.

The people or organizations who received this email were clients of Guinn, Smith & Co., the C.P.A. firm owned by plaintiffs James Guinn and Donald Guinn, or clients of Mr. Middlebrook and his law firm. *Id.* ¶ 43. The recipients also included persons employed at Mr. Middlebrook’s law firm. *Ibid.* And many of the recipients were persons who resided in the State of Texas. *Ibid.*

On October 13, 2004, the plaintiffs retained counsel to represent them in this matter. Their counsel wrote to defendants that same day demanding that defendants remove their false and defamatory statements and print a retraction. *Id.* ¶ 44. After that letter went out, but also on October 13, 2004, persons in Texas called Mr. Middlebrook to state that they had received a second electronic mail message from defendants, this one also addressed “To: Mass

Mailing.” *Id.* ¶ 45. One of the persons who communicated with Mr. Middlebrook was Ms. Ruby Kumichel of the Fellowship of the Woodlands, located at The Woodlands, Montgomery County, Texas. The Fellowship of The Woodlands is a client of Mr. Middlebrook. Ms. Kumichel called Mr. Middlebrook’s office and told Mr. Middlebrook’s assistant that she was “quite upset” at the content of the October 13, 2004, email message and wanted an explanation from Mr. Middlebrook. *Ibid.* Ms. Kumichel later forwarded to Mr. Middlebrook’s assistant the email she had received from defendants, and a complete and accurate photocopy of that October 13, 2004, electronic mail message as received by Ms. Kumichel and forwarded to Mr. Middlebrook’s assistant, and by that assistant forwarded in turn to Mr. Middlebrook, is attached to the Middlebrook Declaration as Exhibit C. *Ibid.*

In that October 13, 2004, email message from defendants, defendants sent the recipients Mr. Middlebrook’s mug shot, *id.* ¶ 46, and stated (again in large, bold-face, all capital typeface):

“BOMBSHELL: TELEVANGELIST BENNY HINN HAS INITIATED LEGAL ATTACK ON REV. STEVE ANDERSON AND HIS REVELATIONS CONCERNING HINN’S ATTORNEY DAVID MIDDLEBROOK, INCLUDING MIDDLEBROOK’S ARREST FOR CHILD INDECENCY.

BENNY HINN HAS HIRED WILLIAM McDANIEL, JR. THAT UNSUCCESSFULLY SUED MATT DRUDGE FOR \$30 MILLION DOLLARS. HINN’S ATTORNEY TELLS REV. STEVE ‘YOU ARE GOING TO SUFFER’

“REV. STEVE SAYS: ‘THE TRUTH SHALL SET ME FREE!’ LEGAL ACTION EXPECTED ANYTIME AFTER OCTOBER 14. FULL INFO SHALL BE POSTED HERE.

“REV. STEVE WILL NOT RETREAT, RETRACT OR BACK DOWN. HE ASKS FOR YOUR PRAYERS AND THAT YOU SPREAD THE WORD CONCERNING THIS LEGAL ATTACK AGAINST HIM. CALL EVERY NEWS OUTLET YOU KNOW. BENNY HINN SUPPORTERS SHOULD BE SHOCKED! RESPOND TO REV. STEVE WHAT DO YOU THINK?” *Ibid.*

This appeal to the recipients of defendants’ email was followed by a link permitting the reader to access defendants’ website, and specifically to that portion of defendants’ website containing information about plaintiffs. *Id.* ¶ 47. Mr. Middlebrook and the other plaintiffs have concluded that defendants used for their list of recipients of these emails a list of persons who attended the seminar that was sponsored by Mr. Middlebrook’s law firm and Guinn & Smith in 2002, referred to above. *Id.* ¶ 48. That seminar was put on in Irving, Dallas County, Texas, and was attended primarily by persons and representatives of organizations from Texas. *Ibid.*

Also as noted above, Mr. Middlebrook knows that defendant Anderson attended that seminar in Irving, Texas, in Fall 2002, because it was at that seminar that he met defendant Anderson for the first and only time, when defendant Anderson approached Mr. Middlebrook and asked about employing Mr. Middlebrook to represent defendant Anderson in California. *Id.* ¶ 49. (It should be noted that neither Mr. Middlebrook nor any of the other plaintiffs ever represented either defendant in any matter. *Ibid.* See § E, below.)

Mr. Middlebrook emphatically testifies that the allegations that defendants have made about him are false and outrageous. *Id.* ¶ 50. He has had to explain to many of his clients and fellow professionals in Texas, all persons who received defendants’ scurrilous email messages, that defendants’ allegations were baseless. As a result, Mr. Middlebrook has suffered

real and substantial harm in the professional community in Texas, among his clients, and in the community where he lives. *Ibid.*

In Fall 2004, research conducted at Mr. Middlebrook's request revealed that defendants' postings about plaintiffs remained "cached," or stored, on various search engines on the internet. (Attached to the Middlebrook Declaration as Exhibit D are photocopies of downloads from Google for October 14, 2004, and November 10, 2004, that define how Google caches information from websites and that show some of the information about plaintiffs so stored on Google.) *Id.* ¶ 51.

E. Declaration Of Donald Guinn

Attached to this Memorandum as Exhibit 2 is the Declaration Under Penalty Of Perjury Of Donald Guinn (hereinafter "Donald Guinn Declaration"). In his Declaration, Mr. Guinn testifies that he has resided in Texas continuously since 1956. Donald Guinn Declaration ¶ 9. He is a C.P.A., licensed by the State of Texas and in good standing, *id.* ¶ 7, and carries on his practice full-time in Irving, Texas, at the firm of Guinn, Smith & Co. *Id.* ¶ 8. Mr. Guinn has been a licensed C.P.A. in Texas since 1995, *id.* ¶ 11, and is a member of the Texas Society Of Certified Public Accountants and the American Institute Of Certified Public Accountants. *Id.* ¶ 12.

Like Mr. Middlebrook, Mr. Guinn represents many clients in the State of Texas, *id.* ¶ 15, and works with Texas professionals in his business. *Id.* ¶ 16. Mr. Guinn is active in community and religious affairs in his Texas community, *id.* ¶ 17, and represents in his professional life many non-profit religious organizations in Texas, *id.* ¶ 14, including Benny Hinn Ministries. *Id.* ¶¶ 19-24.

And also like Mr. Middlebrook, in Fall 2004 Mr. Guinn learned from lawyers and other professionals in Texas that those persons had received from defendants electronic mail messages accusing Donald Guinn, his brother, James Guinn, and Mr. Middlebrook and Benny Hinn Ministries of criminal wrongdoing and various unethical practices. *Id.* ¶ 25. Also in Fall 2004, Mr. Guinn learned of the extensive publications on the defendants' website that similarly accused him and the other plaintiffs of criminal activity and unethical acts. *Id.* ¶ 26. Mr. Guinn testifies that these allegations about him are not only defamatory, but are also totally false, *id.* ¶ 29, and that he has suffered harm in Texas from them, *id.* ¶ 30, as many of his Texas clients and colleagues called him after receiving defendants' email messages to enquire into the basis for defendants' allegations. *Id.* ¶ 26. Based on his analysis of the persons who have told him they received these emails, Mr. Guinn also believes that their addresses were taken from a list of attendees at the seminar that Mr. Guinn's firm sponsored in conjunction with Mr. Middlebrook's firm in Fall 2002, in Irving, Texas, and which defendant Anderson attended. *Ibid.*

Like Mr. Middlebrook, the Guinns never represented either defendant in any matter. *Id.* ¶ 27.

E. Declarations of Michael D. Clarke And Stephen M. Lacy

Attached to this Memorandum as Exhibits 3 and 4, respectively, are the Affidavits Of Michael D. Clarke ("Clarke Affidavit") and Of Stephen M. Lacy ("Lacy Affidavit"). Both men testify that they reside in Texas and work for Benny Hinn Ministries, and that defendants' October 11, 2004, electronic mail message (Exhibit B to Middlebrook Declaration) was received by the general electronic mail account at Benny Hinn Ministries, and from there distributed to them and others.

II. PERSONAL JURISDICTION

Defendants' personal jurisdiction argument boils down to this: plaintiffs have failed to plead that defendants directed their defamatory publications at or to persons or businesses in Texas. In support of this, they produce the affidavit of defendant Anderson, who asserts that he sent the email messages without any knowledge of where the recipients resided. Defendants then cite to a number of cases, not a single one of which deals with a defendant sending defamatory communications into the forum state.

On the facts of this case, and under the well-developed law of this Circuit, defendants' arguments have no merit.

"A federal district court sitting in diversity may exercise personal jurisdiction over a foreign defendant if (1) the long-arm statute of the forum state creates personal jurisdiction over the defendant; and (2) the exercise of personal jurisdiction is consistent with the due process guarantees of the United States Constitution." *Revell v. Lidov*, 317 F.3d 467, 469 (C.A. 5 2002). "Because Texas's long-arm statute reaches to the constitutional limits" of the Due Process Clause, *id.* at 469-470, this Court must determine whether the exercise of "personal jurisdiction over" defendants "would offend due process" on the facts of this case. *Id.* at 470. "The Due Process Clause of the Fourteenth Amendment permits a court to exercise personal jurisdiction over a foreign defendant when" the facts justify the following two conclusions:

"(1) that defendant has purposefully availed himself of the benefits and protections of the forum state by establishing 'minimum contacts' with the forum state; and (2) the exercise of jurisdiction over that defendant does not offend traditional notions of fair play and substantial justice." *Id.* at 470 (internal quotations and footnotes omitted).

This case presents an instance of “specific jurisdiction,” in that “the defendant[s] contacts with the forum arise from, or are directly related to, the cause of action.” *Ibid.* (internal quotations and footnote omitted).

Federal courts typically decide motions to dismiss for lack of personal jurisdiction without holding an evidential hearing. In such instances, “the party seeking to assert jurisdiction must present sufficient facts as to make out *only* a *prima facie* case supporting jurisdiction.” *Alpine View Company Ltd. v. Atlas Copco AB*, 205 F.3d 208, 215 (C.A. 5 2000) (emphasis added). In deciding defendants’ motion, this Court “must accept as true [plaintiffs’] uncontested allegations, and resolve in [plaintiffs’] favor all conflicts between the facts contained in the parties’ affidavits and other documentation.” *Ibid.* “When alleged jurisdictional facts are disputed, [this Court] must resolve all conflicts in favor of the party seeking to invoke the court’s jurisdiction.” *Ruston Gas Turbines, Inc. v. Donaldson Company, Inc.*, 9 F.3d 415, 418 (C.A. 5 1993).

The Supreme Court has emphasized that “due process requires that ‘the defendant’s conduct and connection with the forum State are such that he should reasonably anticipate being haled into court there.’” *Revell, supra*, 317 F.3d at 475 (quoting *Calder v. Jones*, 465 U.S. 783, 790 (1984)). This emphasis means that “[t]he defendant must be chargeable with knowledge of the forum at which his conduct is directed in order to reasonably anticipate being haled into court in that forum.” *Ibid.*

In Internet defamation cases, the Court Of Appeals for this Circuit has read *Calder* and cases from other federal Courts of Appeals as requiring that the defendants manifested “an intent to aim their websites or the posted articles” at the forum state, *ibid.* (quoting *Young v. New Haven Advocate*, 315 F.3d 256, 259 (C.A. 4 2002)); that “the out-of-

state defendant's Internet activity is expressly targeted at or directed to the forum state,"" *ibid.* (quoting *Young, supra*, 315 F.3d at 262)); whether the defendants "directed specifically" their statements to the forum state, *id.* at 475, or "expressly aimed" at the forum state, *id.* at 472 (quotation omitted); whether the "sources relied upon and activities described in an allegedly defamatory publication" do "in some way connect with the forum," *id.* at 474; and whether the forum state is "the focal point of the article [and] the harm suffered." *Id.* at 473. In applying these tests, this Court must look to the "geographic focus" of the article to determine the fairness of permitting the exercise of jurisdiction over the out-of-state defendant, *id.* at 476, so as to take "a pragmatic account of reasonable expectations—if you are going to pick a fight in Texas, it is reasonable to expect that it be settled there." *Ibid.*

There can be no doubt here that defendants "picked a fight in Texas." The defamatory statements in this case relied on Texas sources. Those statements referred to the Texas activities of the defendants. Defendants referred repeatedly to investigations and other activities in Texas. Defendants posted documents from law enforcement sources in Texas and furnished their readers links to those Texas sources. Defendants repeatedly appealed to their readers to send information to defendants about the private lives of the plaintiffs, appeals that defendants aimed directly at the persons most likely to have such information, that is, residents of Texas, where all the plaintiffs live. Those appeals asked for persons to conduct private investigations into all aspects of the private life of plaintiff Middlebrook, for example, something that could only be accomplished in Texas. Texas furnished the focal point of all of defendants' defamatory communications.

What is more, defendants retained Trinity Foundation, a company located in Texas and licensed by the State of Texas to conduct private investigations, to conduct just such

an investigation into the acts of Mr. Middlebrook and Benny Hinn Ministries. Such an investigation was conducted in Texas, for defendants went so far as to post the results of that investigation on their website. Defendants repeatedly referred readers to documents relating to the arrest in Texas of Mr. Middlebrook on false charges, reprinting again and again the mug shot taken of Mr. Middlebrook in Texas, and providing copies of or links to the records of the Texas police department that arrested Mr. Middlebrook. The focal point of defendants' statements was indeed Texas.

Beyond that, however, defendants sent to numerous persons in the State of Texas electronic mail messages that contained defamatory statements about plaintiffs and that referred the reader to links at which more defamatory materials about plaintiffs could be found. Clients, associates, and friends of the plaintiffs, living in Texas, received these messages. And the plaintiffs have sound reason to believe that defendants used a list of email addresses that defendants somehow obtained in Texas when defendants were in Texas attending a seminar held in Texas for Texas clients and potential clients of plaintiffs Middlebrook and the Guinns. Defendants then used this email address list as the basis for what defendants called their "Mass Mailing" of defamatory statements about the plaintiffs, a mailing that defendants had every reason to know would reach numerous persons in Texas.

Defendants not only used those emails sent into Texas to defame plaintiffs where plaintiffs lived, they used the emails to repeat their appeal for persons to investigate the private lives of the plaintiffs, something that could only be done in Texas. And they appealed to readers of the emails to communicate with the media and with Benny Hinn Ministries about the threat plaintiffs had made to sue defendants, again, activity with its central focus in Texas.

The facts here thus contrast with those in *Revell, supra*. The Court Of Appeals there affirmed the dismissal for lack of personal jurisdiction because, as that court stated:

“First, the article written by Lidov about Revell contains no reference to Texas, nor does it refer to the Texas activities of Revell, and it was not directed at Texas readers as distinguished from readers in other states. Texas was not the focal point of the article or the harm suffered, unlike *Calder*, in which the article contained descriptions of the California activities of the plaintiff, drew upon California sources, and found its largest audience in California.” *Revell, supra* 317 F.3d at 473.

The Court Of Appeals emphasized the facts that “there is no reference to Texas in the article or any reliance on Texas sources,” *id.* at 474, facts that it found “weigh heavily against finding the requisite minimum contacts in this case.” *Ibid.*

In the same way, the Court Of Appeals noted that the defendant in Revell had no idea where the plaintiff lived when he made the statements at issue, a fact that court found determinative. The Court Of Appeals observed that “[k]nowledge of the particular forum in which a potential plaintiff will bear the brunt of the harm forms an essential part of the *Calder* test” for determining whether Due Process permits the exercise of personal jurisdiction. *Id.* at 475. The Court Of Appeals concluded:

“Demanding knowledge of a particular forum to which conduct is directed, in defamation cases, is not altogether distinct from the requirement that the forum be the focal point of the tortious activity because satisfaction of the latter will oftentimes provide sufficient evidence of the former.” *Id.* at 475-476.

This case presents almost the exact opposite of *Revell*. Here, the statements of defendants “contai[n] [repeated] reference[s] to Texas;” “refer to the Texas activities of” plaintiffs; were “directed at Texas readers as distinguished from readers in other states;” Texas

[was] the focal point of the article[s and] the harm suffered;” the “article[s] contained descriptions of the [Texas] activities of the plaintiff[s], drew upon [Texas] sources, and found [their] largest audience in” Texas. *Revell, supra*, 317 F.3d at 473. And the defendants here knew that all the plaintiffs resided in and carried on their business activities in Texas, and so that Texas was where plaintiffs would “bear the brunt of the harm,” *id.* at 475, a fact that forms a sufficient basis in itself for this Court to conclude that Texas is “the focal point of [defendants’] tortious activity.” *Id.* at 476.

The assertion of jurisdiction over the defendants does not offend the Due Process Clause. They picked a fight in Texas. It is reasonable for them to have to pay the consequences in Texas.

III. VENUE

With no analysis or citation to case authority, defendants argue that venue is improper pursuant to 28 U.S.C. § 1391(a)(2) “because a substantial part of the events giving rise to the claim [*sic*] occurred in California, if anywhere,” Defendants’ Brief In Support Of Motion To Dismiss, at 8, and ask that this action be dismissed or else transferred “to California” pursuant to 28 U.S.C. § 1406(a). (Defendants have *not* moved for a transfer of venue for the convenience of the parties pursuant to 28 U.S.C. § 1404(a)).

Section 1391(a)(2) provides for venue in diversity cases in “a judicial district in which a substantial part of the events or omissions giving rise to the claim occurred.” 28 U.S.C. § 1391(a)(2). Defendants seem to rest their motion on the idea that there can be, under that statute, only one judicial district where “a substantial part of the events or omissions giving rise to the claim” occurred, and so only one judicial district where venue is proper. That is not so:

“Venue, of course, may be proper in more than one district” under § 1391(a)(2). *TIG Insurance Company v. NAFCO Insurance Company, Ltd.*, 177 F.Supp.2d 561, 567 (N.D.Tex. 2001). Under 28 U.S.C. § 1391(a)(2) as amended, “it is now absolutely clear that there can be more than one district in which a substantial part of the events giving rise to the claim occurred.” C. Wright, A. Miller & E. Cooper, 15 FEDERAL PRACTICE AND PROCEDURE: JURISDICTION AND RELATED MATTERS 2D § 3806 (Supp. 2004), at 52. The test for determining venue here is not whether substantial events or omissions occurred in California. The test is whether substantial events or omissions occurred in the Northern District of Texas: if so, venue is proper regardless whether substantial events or omissions also transpired in California.

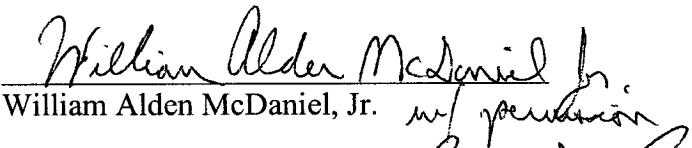
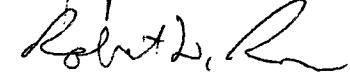
Here—at the least—a substantial portion of the events and omissions giving rise to plaintiffs’ claims occurred in Texas. As demonstrated in Part II, above, defendants hired private investigators in Texas to snoop into plaintiffs’ lives, sent electronic mail messages to numerous persons in Texas, obtained access to various investigative files in Texas, solicited persons in Texas to provide information about plaintiffs, and directed their false and defamatory statements about plaintiffs to Texas. The harm plaintiffs have suffered occurred in Texas. These events were sufficiently “substantial” to support the laying of venue in this judicial district, regardless what occurred in California and regardless whether venue might be proper in a federal judicial district in that state as well. Defendants’ venue argument has no merit.

CONCLUSION

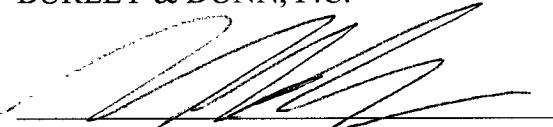
Defendants' Motion To Dismiss should be denied.

Respectfully submitted,

LAW OFFICES OF
WILLIAM ALDEN MCDANIEL, JR.


William Alden McDaniel, Jr. *in personam*

Pro Hac Vice
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LAW OFFICES OF
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Fax: 972 870-9053

ATTORNEYS FOR PLAINTIFFS

CERTIFICATE OF SERVICE

I certify that on this the 15th day of December, 2004, a true and correct copy of the foregoing was served by certified mail and facsimile, as listed below:

Douglas D. Fletcher
Stephen G. Good
Fletcher & Springer, L.L.P.
8750 N. Central Expressway, 16th Floor
Dallas, Texas 75231
Attorneys for Defendants

*Via certified mail, return receipt requested
#7002 3150 0001 2222 0630 and
via facsimile 214 987-9866*


Robert W. Rucker

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

DAVID MIDDLEBROOK, JAMES GUINN,
DONALD GUINN, and WORLD HEALING
CENTER CHURCH, INC.,
d/b/a BENNY HINN MINISTRIES,

Plaintiffs,

v.

Civil Action No. 304CV2294D

STEVEN ANDERSON and
HEALING WATERS CHURCH, INC.,

Defendants.

**DECLARATION UNDER PENALTY OF PERJURY
OF DAVID MIDDLEBROOK**

DAVID MIDDLEBROOK, under penalty of perjury and upon personal knowledge, declares as follows:

1. My name is David Middlebrook.
2. I am over eighteen (18) years of age.
3. I am competent to testify to the matters set forth in this Declaration.
4. I testify to the matters set forth in the Declaration from my personal knowledge.
5. I am one of the plaintiffs in this case.
6. I reside at 4324 Castle Rock Court, Irving, Dallas County, Texas 75038.

DECLARATION OF DAVID MIDDLEBROOK – PAGE 1

EXHIBIT

tabbies®

1

7. I am a member in good standing of the Texas State Bar, and have been since 1989.

8. I currently carry on the practice of law full-time at the firm of Brewer, Anthony, Middlebrook, Burley & Dunn, P.C., located at Suite 150, 1159 Cottonwood Lane, Irving, Texas 75038, where I am a principal.

9. I have lived in Texas continuously since enrolling in law school at Southern Methodist University in 1986.

10. I have carried on the practice of law continuously in Dallas County, Texas, since graduation from S.M.U. in 1989.

11. During 1995-1996, I was the president of the Irving, Texas Bar Association.

12. I am a member of the Texas Bar, Colorado Bar, District of Columbia Bar and the American Bar Associations.

13. Over the years, I have worked hard to establish an excellent reputation in Dallas County as an attorney and as a good citizen in my own community as well.

14. Many of my clients are nonprofit religious organizations both within the State of Texas as well as on a national basis.

15. While I maintain clients on a national basis, many of them come from the State of Texas.

16. I work with many other attorneys, certified public accountants, and other professionals in Texas in connection with my legal work.

17. I have, since moving to Texas in 1986, been active in religious and civic activities in Texas.

18. I work closely on many matters with two (2) of the other plaintiffs in this case, James Guinn and Donald Guinn, both C.P.A.s. The Guinns reside and practice their profession in Texas, and each is licensed by the State of Texas as a certified public accountant.

19. One of my clients is also the corporate plaintiff in this case, World Healing Center Church, Inc.

20. World Healing Center Church, Inc. is also known as Benny Hinn Ministries, and its senior pastor is Pastor Benny Hinn.

21. Benny Hinn Ministries maintains its main corporate headquarters in Grapevine, Tarrant County, Texas.

22. Benny Hinn Ministries has had its headquarters in Grapevine, Texas since October 1999. It employs several hundred persons in Texas and it conducts business activities related to organizing and facilitating its nonprofit ministry from Texas.

23. The Church has received extensive publicity in Texas since moving to Grapevine, as it is one of the largest church organizations in the country. It engages in numerous business activities in Texas on a regular basis, including contracting with other Texas individuals and businesses for both products and services, employs many residents or citizens of Texas on a full, part-time, and independent contractor basis, it has many members in Texas, and solicits and receives substantial funds from Texas residents every year.

24. World Healing Center Church, Inc. and its minister, Pastor Benny Hinn, are well-known in the evangelical community in the United States as being based in Texas.

25. In Fall 2004, I learned that the defendants in this case, Steven Anderson and a church with which he was affiliated, Healing Waters Church, were posting information about me on their website on the World Wide Web, accessible by anyone on the Internet. At the same time, I learned that these postings accused me, the Guinns, and Benny Hinn Ministries of various criminal and unethical activities, including extortion, money laundering, racketeering, theft, fraud, and misrepresentation.

26. I learned specifically that, Steven Anderson and Healing Waters Church, Inc. had published a number of Internet articles on their website that ostensibly related to an ongoing Federal investigation of a Ponzi scheme. In fact, however, these publications alleged that I and the other plaintiffs were involved in a conspiracy to foster the Ponzi scheme and in other criminal or unethical conduct.

27. Attached to this Declaration as Exhibit A are photocopies of various materials published on the Internet by defendants and referring to me and to the other plaintiffs in this case. The allegations made about me by defendants on their website included allegations:

--that I "set up" my clients to get in trouble so I could bill them for representation to help them;

--that I, in conjunction with plaintiffs James and Donald Guinn, run a "'Protection Racket' used by the Mob for years" to force clients to pay me to protect them from investigations that I instigate and charges that I trump up against them;

--that my method of operation is that I "target a lucrative ministry" to defraud;

--that I have "goons" who communicate with that ministry with the purpose of defrauding it;

--that I and these "goons," whom defendants identify as James and Donald Guinn, also plaintiffs in this case, then defraud the ministry by falsely telling the ministry it faces serious problems and obtaining money to make that fictitious problem go away;

--that the other plaintiffs and I have engaged in various schemes to launder "ill gotten gains" through Panamanian banks;

--that the other plaintiffs and I have punished and discredited persons who have refused to help us launder money;

--that I have engaged in numerous conflicts of interest in representing clients;

--that I have illegal access to secret grand jury information;

--that various persons have refused to hire me as an attorney because they "saw right thru" [sic] my "scare tactics;"

--that Pastor Benny Hinn wanted for a long time to "get rid of" me, but could not because I "had to [sic] much on Benny" and blackmailed Pastor Hinn;

--that there were rumors that I had "compromising photos" of Pastor Hinn that I used to blackmail Pastor Hinn;

--that I have a "starring role" in an ongoing federal criminal investigation as a "key witness;"

--that I am an "opportunist;"

--that I am "dangerous" and "baaaaaaaaaaaaaaaaaaaaaad!!!!!!!" [sic].

28. None of these statements about me or the other plaintiffs are true; each is false and each is defamatory.

29. In connection with divorce proceedings between me and my wife, my wife falsely accused me of performing indecent acts with my children. The District Attorney for Dallas County, Texas, refused to prosecute these charges. Defendants on their website at various places published the “mug shot” taken of me when I was arrested for these false charges. Next to that photograph of me, defendants posted the following language in large, bold-face type: **“David Middlebrook Mug shot at 2003 arrest for child indecency.”** This same photograph appeared several times on defendants’ website, always with a reference to my “arrest for child indecency,” usually without any reference to the fact that the Grand Jury had refused to vote a bill against me, that the District Attorney’s office had refused to prosecute the charges farther, or that these charges had been brought in a hotly-contested divorce action. By clicking on the words “arrest for child indecency,” the reader would be taken to a page containing a police record of my arrest, with the mug shot again displayed, and with the false charges against me spelled out.

30. While at one point, defendants published statements attributed to the Trinity Foundation to the effect that the District Attorney had not prosecuted the charges because they were false, defendants presented even this statement in a misleading format by underlining the words, “child indecency charges Middlebrook was arrested for...,” thereby allowing the reader to go again to the police record of my arrest for these misleading charges, complete with the mug shot.

31. Defendants on their website also provided a copy of the arrest record, complete with the mug shot and the false charges against me.

32. When that mug shot was taken, I was in shock and despair that I could be falsely arrested for such heinous acts involving my own children. Taken in harsh light under the most adverse conditions, this photograph indeed makes me look like a disreputable person.

33. In these postings on defendants' website, defendants made several references to their contacts with the State of Texas. For example, defendants' website stated that they had "turned to the Trinity Foundation" to investigate "terrible rumors" about Pastor Hinn and myself, identifying the Trinity Foundation as a "watchdog foundation that maintains a private investigative license with the State of Texas." I know from my own personal knowledge that the Trinity Foundation is located in Texas.

34. In addition, defendants on their website solicited persons in the State of Texas to help defendants by investigating me and my private life in Texas and to provide them with documents, photographs, and other information about me. Defendants' website posting said in large, bold-face, all capital type:

"HELP WANTED! PRIVATE INVESTIGATORS
NEEDED-PHOTOGRAPHERS NEEDED
INFO, DOCUMENTS AND PICTURES OF DAVID
MIDDLEBROOK WANTED TO POST HERE
WHERE HE LIVES, SPENDS MONEY, WHO HE
HANGS OUT WITH. THIS ATTORNEY'S WHOLE
LIFE NEEDS TO BE EXPOSED HERE. INQUIRE
WITHIN CLICK HERE HELP, I CAN'T DO IT
ALONE!"

35. This plea for help in investigating my life in Texas was followed by information on how to access defendants' website and how to communicate with defendants by mail, telephone, fax, and email.

36. When they solicited persons to investigate me and provide information about my personal life, defendants knew that I lived in Texas. At several points on their website, for example, they referred to my arrest in Texas, as noted above, and provided links to or copies of the police records that listed my address as being in Texas. They stated they hired a Texas private investigative firm, Trinity Foundation, to investigate “rumors” about me. They stated that I was “based out of” Dallas, Texas.

37. Indeed, in Fall 2002, defendant Anderson had attended a seminar in Irving, Texas, put on by me and my law firm and by plaintiffs James Guinn and Donald Guinn, where I was identified to the participants as a Texas attorney. At that seminar, defendant Anderson approached me and solicited me and my law firm to represent him in a legal dispute in California. In particular, defendant Anderson told me he was involved in a “whistle-blower” action regarding complaints he had made against local officials in his community. Defendant Anderson said that a full account of the case had been published in a recent issue of *Maxim*, a men’s entertainment magazine. We told defendant Anderson that this was not the kind of case that my firm would handle outside Texas, as it did not involve nonprofit issues.

38. On defendants’ website, they also posted the following statement in connection with their references to me and the other plaintiffs: “This page partially refers to the ongoing investigation and prosecution by the United States Attorney’s Office, the Securities Fraud Task Force, which includes representatives from the Securities and Exchange Commission, the Texas State Securities Board, the Federal Bureau of Investigation and the Internal Revenue Service along with the public tenaciousness [sic] of Rev. Steve Anderson [sic] and others.”

39. At various places throughout their website, near where references were made to me and the other plaintiffs, defendants referred to a federal criminal investigation that was ongoing in the Northern District Of Texas into the activities of one Greg Setser. These references included the posting of a copy of an indictment handed up on the Northern District of Texas in connection with that investigation and various press releases issued by the office of the United States Attorney for the Northern District Of Texas. The purport of these communications was to try to tie me and the other plaintiffs into the criminal wrongdoing being investigated in Texas.

40. On or about October 11, 2004, I began to hear from various persons who lived and worked in the State of Texas that they had received, or someone in their organization had received, an electronic mail message from defendants addressed "To: Mass Mailing." Attached to this Declaration as Exhibit B is a complete and accurate photocopy of this message, as received by a person living in the State of Texas. This email message from defendants contained many of the false and defamatory statements accusing me of criminal, unethical, fraudulent, and wrongful behavior that were posted on defendants' website, as noted above. Each of defendants' email messages contained a link labeled "FULL TEXT AT WWW.STEVE4U.COM/DAVIDMIDDLEBROOK.HTM."

41. Each of these electronic mail messages from defendants asked the recipient to "TELL REV. STEVE WHAT YOU THINK" and solicited persons to investigate me and the other plaintiffs, in the following language, again in large, bold-face, all capital typeface:

**"HELP WANTED! INFORMANTS NEEDED
PRIVATE INVESTIGATORS NEEDED**

FREELANCE PHOTOGRAPHERS NEEDED
KNOWLEDGEABLE SOURCES NEEDED TO COME
FORWARDED [SIC]
ANONYMITY OK
TRUTHFUL INFO, DOCUMENTS, STORIES AND
PICTURES OF DAVID MIDDLEBROOK AND
GUINN SMITH WANTED TO POST ON STEVE4U.
HELP, I CAN'T DO IT ALONE!"

42. This request for help investigating me and the other plaintiffs was followed by the words "REV. STEVE ANDERSON ... *FOR YOU!* HEALING WATERS CHURCH," and the telephone and fax numbers and website for defendants.

43. The people or organizations who received this email were clients of Guinn, Smith & Co., the C.P.A. firm owned by plaintiffs James Guinn and Donald Guinn, or clients of myself. The recipients also included persons employed at my law firm. And many of the recipients were persons who resided in the State of Texas.

44. On October 13, 2004, the other plaintiffs and I retained counsel to represent us in this matter. Our counsel wrote to defendants that same day demanding that defendants remove their false and defamatory statements and print a retraction.

45. After that letter went out, but also on October 13, 2004, persons in Texas called me to state that they had received a second electronic mail message from defendants, this one also addressed "To: Mass Mailing." One of the persons who communicated with me was Ms. Ruby Kumichel of the Fellowship of the Woodlands, located at The Woodlands, Montgomery County, Texas. The Fellowship of The Woodlands is a client of mine. Ms. Kumichel called my office and told my assistant that she was "quite upset" at the content of the October 13, 2004, email message and wanted an explanation from me. Ms. Kumichel later

forwarded to my assistant the email she had received from defendants. A complete and accurate photocopy of that October 13, 2004, electronic mail message as received by Ms. Kumichel and forwarded to my assistant, and by my assistant forwarded in turn to me, is attached to this Declaration as Exhibit C.

46. In that October 13, 2004, email message from defendants, defendants sent the recipients my mug shot, and stated (again in large, bold-face, all capital typeface):

“BOMBSHELL: TELEVANGELIST BENNY HINN HAS INITIATED LEGAL ATTACK ON REV. STEVE ANDERSON AND HIS REVELATIONS CONCERNING HINN’S ATTORNEY DAVID MIDDLEBROOK, INCLUDING MIDDLEBROOK’S ARREST FOR CHILD INDECENCY.

BENNY HINN HAS HIRED WILLIAM McDANIEL, JR. THAT UNSUCCESSFULLY SUED MATT DRUDGE FOR \$30 MILLION DOLLARS. HINN’S ATTORNEY TELLS REV. STEVE ‘YOU ARE GOING TO SUFFER’

“REV. STEVE SAYS: ‘THE TRUTH SHALL SET ME FREE!’ LEGAL ACTION EXPECTED ANYTIME AFTER OCTOBER 14. FULL INFO SHALL BE POSTED HERE.

“REV. STEVE WILL NOT RETREAT, RETRACT OR BACK DOWN. HE ASKS FOR YOUR PRAYERS AND THAT YOU SPREAD THE WORD CONCERNING THIS LEGAL ATTACK AGAINST HIM. CALL EVERY NEWS OUTLET YOU KNOW. BENNY HINN SUPPORTERS SHOULD BE SHOCKED! RESPOND TO REV. STEVE WHAT DO YOU THINK?”

47. This appeal to the recipients of defendants' email was followed by a link permitting the reader to access defendants' website, and specifically to that portion of defendants' website containing information about me and the other plaintiffs.

48. I have thought about the identities of the persons who received the two "Mass Mailing" email messages from defendants in an attempt to ascertain what type of list of addressees defendants were using. I have also discussed this issue with plaintiffs James and Donald Guinn. We concluded that defendants had used for their list of recipients a list of persons who attended a seminar that was sponsored by my law firm and Guinn, Smith & Co. in 2002. As discussed in the next paragraph, defendant Anderson attended that seminar. That seminar was put on in Irving, Dallas County, Texas, and was attended primarily by persons and representatives of organizations from Texas.

49. As noted above, I know that defendant Anderson attended that seminar, because he approached me at that seminar about me and my firm representing him in a legal dispute in California. Neither I nor my firm, nor Guinn & Smith, have ever represented defendants in any matter.

50. The allegations that defendants have made about me are false and outrageous. I have had to explain to many of my clients and fellow professionals in Texas, all persons who received defendants' scurrilous email messages, that defendants' allegations were baseless. As a result, I believe I have suffered real and substantial harm in the professional community in Texas, among my clients, and in the community where I live.

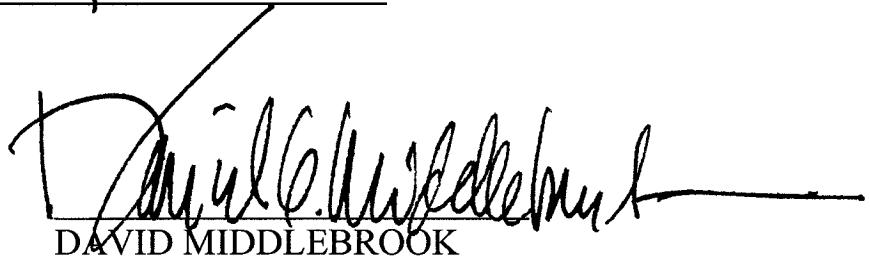
51. In Fall 2004, research conducted at my request revealed that defendants' postings about me and the other plaintiffs remained "cached," or stored, on various search

engines on the internet. Attached to this Declaration as Exhibit D are photocopies of downloads from Google for October 14, 2004, and November 10, 2004, that define how Google caches information from websites and that show some of the information about plaintiffs so stored on Google.

THIS ENDS MY DECLARATION

I HEREBY DECLARE UNDER PENALTY OF PERJURY THAT
THE FOREGOING IS TRUE AND CORRECT.

EXECUTED ON 12. 15. 04.



A handwritten signature in black ink, appearing to read "David Middlebrook". The signature is fluid and cursive, with a long horizontal line extending from the end of the name.

28 U.S.C. § 1746(1)



TBN NEWS PAGE

Trinity Broadcasting Network News Page

TBN IS GEARING UP FOR A MEDIA OFFENSE NONE OF THE LIKE HAS BEEN SEEN BEFORE - MORE SOON

MIAMI HERALD COVERS JAN CROUCH'S SMILE OF A CHILD PROGRAM FOR HAITI

CLICK HERE "DOUBT TAINTS AID TO HAITI" - The so-called doubt is raised by Wall Watchers and other self appointed watchdog groups criticizing TBN finances. However, Reporter reveals: "*IRS auditors have told TBN that it's doing a good job!*" **TBN ATTORNEY JOHN CASORIA RESPONDS**, "*Our accountability is to the government, the IRS and our partners,*" he said. "*We don't need some third-party watchdog group controlling us with their agendas.*"

STEVE4U EXCLUSIVE:

ATTORNEY DAVID MIDDLEBROOK & LAW FIRM ADVISED CROUCH TO PAY \$425K TO GAY ACCUSER LA TIMES REVEALED - CROUCH HAS NOW REMOVED MIDDLEBROOK AS ATTORNEY. Middlebrook still represents Benny Hinn, and many other major ministries. Many believe Middlebrook sets up scenarios like Crouch's to benefit through representation. Now in a Steve4u exclusive, **GREG SETSER FAMILY SPOKESPERSON SPEAKS OUT CONCERNING BENNY HINN'S ATTORNEY, DAVID MIDDLEBROOK** [CLICK HERE](#)

OFFERING WAS SENT TO LOS ANGELES TIMES REPORTER FOR TBN. THE LA TIMES ACTUALLY FORWARDED THE MONEY TO TBN. 1 Cor. 1:27-28 (KJV) KEEP IT COMING!

Support Grows and Grows for TBN President Dr. Paul Crouch, Sr.

TBN Sets Record Straight Against LA Times and reporter William Lobdell -- Again! [CLICK HERE](#)
Liberty and Faith Ring Out in Philadelphia as TBN Hits the Air Waves [CLICK HERE](#)

Pray for TBN and the Crouch family and staff. Also Pray for the enemies of TBN to repent and turn to the Lord Jesus Christ and be saved. Think of the Apostle Paul, it can happen! (Matthew 5:44)

HARE YOUR TIPS AND COMMENTS WITH REV. STEVE [CLICK HERE](#)

hicken Mail from Anonymous [CLICK HERE](#)

Comments from those who identify themselves

"If this accusation is true the Christian community needs to be told and a confession needs to take place because the church and the Gospel will suffer. If it is untrue that needs to be said in every avenue possible because it's out there now and more lies will be spread. This is another opportunity for the church to learn that it needs to return to holiness and accountability whether or not it's true." ~Juanita Skinner

"As a fellow minister of the Gospel and a Television Broadcaster here in New York, I felt compelled over 2 years ago when all these matters were brought to my attention to warn those who I knew could speak the TRUTH with the hope of genuine healing. I spoke with a number of National and well respected ministers who I believed could speak with the Crouches in hopes of seeing the body of Christ and the general public spared of all this. But unfortunately, it seemed to go nowhere. I told one ministry that has been with TBN and the Crouches from the beginning that there was going to be a series of articles in the LA Times coming out and still it had no effect. Since the article broke I have been in contact with this very ministry and they told me I was the first one they thought about. The articles in the LA Times are far from finished, rather it has just begun, and unfortunately, the Crouches will not be the only story. I say this with the hope that you and others in your position will use opportunities like this to speak LIFE!" - Pastor Rich Anderson (no relation and he had no bombshell facts about Crouch as he had claimed to Rev. Steve, just vague speculation, a cloud without water. Jude 1:12)

"Jesus Christ is preached on the TBN network. You sound like a wonderful man and a spiritual man. I am truly grateful that you're not just a wacko nut that has no discernment in their loyalties." -Jim Whitmore

"REV. STEVE THANK GOD FOR YOU. I AM SO GLAD TO SEE THAT SOMEONE IS CONDUCTING THEMSELVES LIKE GOD INSTRUCTED US TO WHEN WE SEE A BROTHER OR SISTER IN PAIN!!..."

I AM LIKEWISE DISAPPOINTED THAT SOME OTHER MINISTERS HAVE REMAINED SILENT!! HOW DARE THEY!! I AM NOT THE JUDGE OF PAUL CROUCH NEITHER DID PAUL CROUCH DIE FOR MY SINS!... JESUS SAID ONE THING ABOUT HIS DISCIPLES THAT WE ALL NEED TO REMEMBER,, HE SAID THAT THE WORLD WOULD KNOW THAT WE ARE HIS DISCIPLES BY HOW WE LOVE ONE ANOTHER...REGARDLESS OF WHAT ANYONE MAY THINK OR FEEL, WE HAVE BUT ONE DUTY RIGHT NOW AND THAT IS TO LOVE PAUL AND JAN CROUCH.. MORE THAN EVER BEFORE,, IF EVER THEY NEEDED THEIR BRETHREN.... IT IS NOW!!!!....I WILL PRAY EVERY DAY FOR THEM AND THE TBN NETWORK...I AM SORRY DEVIL, NICE TRY...BUT WE ARE NOT GOING TO GIVE YOU NO PLACE SO JUST FORGET ITTBN WILL USHER JESUS IN!" -Phil A.

"Keep up the good work" - Marylyn, TBN

"I want to go on the record and say that I am praying for the Crouch family. I am not judging anyone, and surely God has used TBN to spread the Gospel." -Kimberly, Morgantown, West Virginia

"To 'Anonymous' who calls Reverend Steve 'evil': Rev. Steve, in my opinion stands for a presence of justice, and that without respect of persons. You are obviously the kind of person who would strain at a gnat and swallow a camel. Get real! Kudos to this website - keep going strong, Rev. Steve!" - Cheryl Sanchez

"I read your article about Paul and while I agree with your position about accusers, where there is smoke there is, or has been, fire. I have been involved in the church for all of my life and I have been a counselor for broken homosexuals and have been inside on a local church leader sex scandal and I can tell you with confidence that there is something here. You do not pay several hundred thousand dollars hush money when there is no truth to an allegation. That is tantamount to admission of guilt. It is sad to see another major Christian leader hit the dirt." -Jim Murphy, Sound Concepts, Mason, Ohio

"I don't think Crouch is innocent. He is protecting his source of income, and of course all who are standing for him has financial interest too. Yes the Gospel is preached, and abused at the same time. I think this is a shake up from God. I think God is signaling His displeasure at the way "His" money is being used by TBN. You may accuse me with jealousy, while I think of them as too greedy. I grant they are entitled to live in a nice home and have some nice things. But to own a string of luxury homes and still asking (and pressuring too) money from poor people is a shame to the cause of Christ. I wonder if, besides their salaries, they get all the perks and all expenses paid from the donations. That would make them earn over millions of dollars every year – on the back of gullible givers. (of course secular people splurge on their wealth, but Christians are not to follow their example, Romans 12:1-3). You folks are so much in defensive and self-righteous mode that you will not listen to anyone but only from those who will only sing your praises. Poor Americans feeding rich, no, millionaire televangelists – in the name of Christ." -Sincerely, Kevi Meru

SHARE YOUR TIPS AND COMMENTS WITH REV. STEVE CLICK HERE

HOME PAGE

This website is a Ministry of Healing Waters Church

For More Information Contact:

Healing Waters Church

Rev. Steve Anderson, Pastor

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Steve Anderson...for You!

REV. STEVE HAS BEEN THREATENED WITH LEGAL ACTION THIS WEEK FOR THIS WEB POSTING.
STAY TUNED AS EACH LEGAL MATTER BROUGHT IS DEALT WITH THOROUGHLY AND PUBLICLY.



ATTORNEY DAVID OWEN MIDDLEBROOK

(David Middlebrook Mug shot at 2003 arrest for child indecency left - see below)

STEVE4U EXCLUSIVE:

GREG SETSER FAMILY SPOKESPERSON SPEAKS OUT CONCERNING BENNY HINN'S ATTORNEY, DAVID MIDDLEBROOK

REV. STEVE: "Middlebrook has a definite conflict of interest. This is what he does, First he targets a lucrative Ministry, he then has his goons contact them whose names are Don and James Guinn, who have a ministry base of clients they defend and do their accounting. They contact these ministries by stating they have contact inside the FBI or most used, the IRS. They begin to inform this potential client that they have heard from their inside contacts that they are a target of an investigation and that there 501c3 is at risk as well as they could be prosecuted for what the government thinks they have done. Fear runs rampant. The minister is scared out of his mind. Then guess who shows up after the set up is made, Middlebrook! He then begins to tell them that he can and will protect them as he does Benny Hinn and that his contacts in the government are equal to none. He has the clout and the history with Benny to qualify him before them who now desperately need his services. He then collects \$25K as a retainer and then the bills begin to flow. The Guinn's get their invoices in as well as many others who the Guinn's bring in to help seal up this ministry and create the dependence that is necessary to control this new client. The client is actually grateful and Middlebrook's influence grows to new heights.

Middlebrook went to many, and I mean many of IPIC's investors to "Protect them". How did Middlebrook know who Setser was dealing with?? Because Setser made a business arrangement with Middlebrook and Benny to invest their funds until Setser found out that these funds were Cash and that Middlebrook and Benny claimed them as their own funds. Middlebrook and Reece Bowling went to Panama to verify many things, one being the Paint Plant which was a state of the art Plant by the way, the next was a company that was designed to receive cash legally as a commodity which Benny needed badly. There are others as well who need this service as well. So therefore the conflict of interest is obvious. He is using the old "Protection Racket" used by the Mob for years and it works beautifully for his purpose's. Middlebrook has created the perfect situation and uses his attorney client privilege to protect all concerned. He has gained clout in Washington and grown greater in power and influence in Dallas Texas where he is based out of.

The clients he gained before Setsers arrest are CFAN, Pastor Paul's church in Vegas, and went after the AG's of Northern Calif. and Nevada who was at the time headed by Dr. Cole, who refused these scare tactics. Dr Cole saw right thru Middlebrook and told him to leave. He called Setser and told him what Middlebrook tried to do. This was weeks before Setser's arrest. Many others were contacted as well. Middlebrook showed what appeared to be a Grand Jury Sealed Indictment. How did he get this Document?? He started this whole thing because Setser refused to run their ill gotten gains through IPIC and wash it out the other side, They would buy the products in Mexico for cash and ship them to the customers of Setser's IPIC Brokers worldwide. If IPIC was a farce why would Middlebrook want to use his cash in their buying which Setser showed to be real in Panama??? Middlebrook knew the offices of IPIC Ontario were only partner management offices because Setser had hired Amon Boyd at Benny Hinn's request to take over the Finances of IPIC. They knew what to do to discredit Setser who had all of IPIC purchasing done overseas.

The bottom line is that Middlebrook is dangerous and very intelligent. Benny Hinn went to Setser a year before this happened and Benny requested of Setser to help him get rid of Middlebrook. Benny told Setser of the choke hold that Middlebrook had on him and that Benny wanted to get things right and wanted Setser to help him. There were many meetings as to how to fire Middlebrook but Benny would not commit to actually do it. Middlebrook had to much on Benny. They are joined at the hip. By the way, another conflict of interest , Setser hired Middlebrook in Panama. He has witnessses. Don't you think that is a conflict? The man is baaaaaaaaaaaaaaaaaaaaaaad!!!!!!"

PETE EVANS OF THE TRINITY FOUNDATION VINDICATES BENNY HINN'S ATTORNEY DAVID MIDDLEBROOK



(David Middlebrook Mug shot at arrest for child indecency left)

Throughout the IPIC scandal, rumors have swirled concerning Attorney David Middlebrook and his client Benny Hinn. On August 20, 2004, Rev. Steve turned to the Trinity Foundation to prove or dispel some of these terrible rumors. Trinity touts itself as a watchdog foundation that maintains a private investigative license with the State of Texas and frequently provides undercover operatives to news programs like PrimeTime Live, 60 Minutes, Dateline, etc. and has been highly critical of Benny Hinn and other televangelists in the past.

After a ten day inquiry, Trinity's top watchdog PETE EVANS responded to Rev. Steve about 2003 child indecency charges Middlebrook was arrested for, stating: *"The District Attorney dropped the charges against Middlebrook because his ex-wife Katherine was making false charges against him to gain advantage in the divorce proceedings."* Pete also added concerning rumors of purported compromising photos of Benny Hinn which is keeping Hinn bound to Middlebrook against his will: *"We do not believe Middlebrook is blackmailing Hinn."*

Attorney Middlebrook has a starring role in the ongoing IPIC Criminal investigation as a key witness. He seems to be quoted in every article concerning Greg Setser and the IPIC Investment matter. Many have wondered if he is the capstone for justice in the IPIC scandal or just an opportunist? Rev. Steve felt that the Trinity Foundation's declaration of Middlebrook and Hinn's innocence was appropriate given their pointed criticism of Hinn and company in the past. Now, perhaps with this revelation of truth, these rumors have been dispelled and whoever is spreading them will STOP! Tell Rev. Steve what YOU think and know?

"Rev Steve: Thank you for having an open mind. Hopefully this report of yours will help to set the record straight. Thank you." - Matt Anthony (Attorney for David Middlebrook, Paul Crouch and Benny Hinn) [in reference to this Trinity Foundation vindication story only]

HELP WANTED!

PRIVATE INVESTIGATORS NEEDED - PHOTOGRAPHERS NEEDED

INFO, DOCUMENTS AND PICTURES OF DAVID MIDDLEBROOK WANTED TO POST HERE WHERE HE LIVES, SPENDS MONEY, WHO HE HANGS OUT WITH. THIS ATTORNEY'S WHOLE LIFE NEEDS TO BE EXPOSED HERE. INQUIRE WITHIN CLICK HERE HELP, I CAN'T DO IT ALONE!

HOME PAGE

This website is a Ministry of Healing Waters Church

For More Information Contact:

Healing Waters Church

Rev. Steve Anderson, Pastor

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Riverside, CA 92507

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his page Last modified: Wednesday, October 13, 2004 12:35:02 PM
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This page partially refers to the ongoing investigation and prosecution by the United States Attorney's Office, the Securities Fraud Task Force, which includes representatives from the Securities and Exchange Commission, the Texas State Securities Board, the Federal Bureau of Investigation and the Internal Revenue Service along with the public tenaciousness of Rev. Steve Anderson and others.

NOTE: Comments expressed herein do not necessarily reflect the views and/or opinions of Rev. Steve Anderson and/or Healing Waters Church. This ministry website only provides a platform in the public arena of democracy.

COPPELL POLICE

8/7/2003 13:52:54

Booking # 20030817	Booking Date/Time 7/29/2003 13:37:18	Incident # P3023809							
Name MIDDLEBROOK, DAVID OWEN									
Address 377 LAS COLINAS BLVD E IRVING TX 75039		Phone # Home (469) 951-3283 Bus.							
Driver's License [REDACTED] TX [REDACTED]		SSN [REDACTED]							
Place of Birth ARKANSAS		DOB 08 / 19 / 1963	Age: 39 Sex: M						
Height 6ft08in	Weight 230 lbs	Eye Col HAZ	Hair Col BRO	Race WHI	Marital M	OCN#	DOC #	State ID	FBI ID
Scars/Marks/Tattoos:									
Employer:				Employer Phone (972) 870-9898		Occupation ATTORNEY			
Emergency Contact BILL MIDDLEBROOK				Relationship FATHER					
Address TULSA, OK				Phone # (817) 917-8323					
VEHICLE INFORMATION									
Vehicle License & State	Year	Make	Model	Body	Color	VIN			
Comment				Impound #:					
				Towed by:					
				Towed to:					
ARREST/EGGAGATION/TESTIMONY INFORMATION									
Arrest Location 130 TOWN CENTER BLVD. COPPELL, TEXAS 75019				Arrest Officer DM817			Arrest Date 7/29/2003 13:34		
Agency CPD	Booking Officer DM817								
CHARGES									
CHARGE PC21.11A.1	DESCRIPTION INDECENCY W/CHILD SEXUAL CONTACT	WARRANT F03-19109	COURT DAL	COUNTS 1 S	BAIL 25,000.00				
PC21.11A.1	INDECENCY W/CHILD SEXUAL CONTACT	F03-19108	DAL	1 S	25,000.00				
RELEASE INFORMATION									
Release Date: 7/29/2003 16:39:54	Released By: DO839	Released Method: SURETY/ATTNY BOND	Hours Held: 3.04						
Remarks:									

Steve Anderson...for You!

"See, I have this day set thee over the nations and over the kingdoms, to root out, and to pull down, and to destroy, and to throw down, to build, and to plant." Jeremiah 1:10 (THE HOLY BIBLE) This page a sermon in itself by Rev. Steve Anderson

LATEST:

GREG SETSER FAMILY SPOKESPERSON SPEAKS OUT CONCERNING HIS FORMER ATTORNEY, DAVID MIDDLEBROOK [CLICK HERE](#)

IPIC RECEIVER AND THE INTERNATIONAL CHURCH OF THE FOURSQUARE GOSPEL, RECOVER \$5.75 MILLION IN SETTLEMENT [CLICK HERE TO VIEW SETTLEMENT AGREEMENT \(PDF FORMAT\)](#)



Greg Setser on Easy Street! Happy as a Pig in the Sunshine!

Greg Setser and others have made plea agreements - Setser will escape with a light sentence, perhaps a mere 2 years max. Love him or hate him, he comes out of the pig pen smelling like a rose.

Jail can't come soon enough. He even used his own elderly mother's 45 year old mobile home for bail. (Source close to family)

Tell Rev. Steve what you think? [CLICK HERE](#)

[SETSER PIX PAGE 1](#) [CLICK HERE](#)

[SETSER PIX PAGE 2](#) [CLICK HERE](#)

Greg Setser and Russian gal pal Miss Radschuk pictured left

GREGORY SETSER AND FAMILY MEMBERS CHARGED IN FEDERAL INDICTMENT WITH DEFRAUDING INVESTORS IN PONZI SCHEME Defendants Targeted Churches, Ministries - The indictment alleges that since April 2000, Gregory Earl Setser, Cynthia Faye Setser, Charnelle Setser, Deborah S. Setser and Thomas Henschke used IPIC (a/k/a International Product Investment Corp.) to carry on a massive Ponzi scheme that targeted churches, ministries, religious organizations, and

their pastors, leaders and members, to invest in programs with IPIC and its affiliated companies. According to a complaint filed in the Dallas Division of the Northern District of Texas by the Securities and Exchange Commission Gregory Setser, is a self-proclaimed former minister who exploited his connection to highly visible members of the evangelical Christian community to meet potential investors, legitimize IPIC's operations and sell IPIC securities. That complaint further states that IPIC apparently had no legitimate operations and the total amount of the fraud was in excess of \$160 million. [CLICK HERE FOR FULL PRESS RELEASE OF THE UNITED STATES ATTORNEY](#)

HICKEN MAIL FROM ANONYMOUS [CLICK HERE](#) (these are usually disgruntled emailers that wouldn't be able to face a second of the scrutiny as we do daily)

IC INVESTOR VICTIM COMMENTS (Notice they don't hide their identity as do critics of Rev. Steve)

READ BOOKS ON SEVERAL PEOPLE, DIDN'T RALPH W. GET K. K. MONEY WHEN THE TV EV. PASSED. DID HE EVER
[p://www.steve4u.com/affinityfraud.htm](http://www.steve4u.com/affinityfraud.htm)

RUN MELODYLAND CHURCH. GOD HELP US ALL." -Becky S.

"Dear Pastor, I find your website by searching on the Internet to find information about Greg Setser and the IPIC disaster. You have a lot of information I see. We are a group of people from the Netherlands and we are victims too. I hope that you have more information for us. Thanks for now. God bless you." -Pastor M de Jong

"To 'Anonymous' who calls Reverend Steve 'evil': Rev. Steve, in my opinion stands for a presence of justice, and that without respect of persons. You are obviously the kind of person who would strain at a gnat and swallow a camel. Get real! Kudos to this website - keep going strong, Rev. Steve!" - Cheryl Sanchez

"Pastor Steve, Obviously, Gregory Setser is a crook and should be prosecuted to the fullest extent of the law and with maximum penalty. The thing that interested me about this case is the magnitude of the fraud perpetrated upon innocent, trusting people. A number of years ago, I fell prey to an individual like this and it cost me millions. Thank the Lord I have recovered financially. What a black eye for the Assemblies of God in California, and particularly the District Superintendent who obviously didn't do due diligence on Setser companies when he invested ministers money into a non-performing fund! This man (Cole) should be held accountable for this and, in my opinion, should be personally litigated by those who lost money because of his gross negligence. The problem with many Christians is that they simply feel guilty if they prosecute a fellow believer, and they let people like Cole go free. Certainly, God cannot be happy with this situation in which millions of dollars were lost because of carelessness on behalf of this individual. I was raised Assembly of God and find the Setser's and Cole appalling, and also the loss of investor funds. Good luck and God bless." - Rev. Jonas Robertson, New Orleans

"I am one of the very "small" victims of the scam. I lost \$10,000.00, plus of course the potential interest or potential income from investment. My adoptive son, also in full time ministry as an itinerant like me, lost \$30,000.00. Both sums are small fry as compared to what other ministries or churches have lost. However, for people who live by faith and prefer to serve the Lord for the sake of His Kingdom rather than making money for themselves, they represent substantial amounts. I agree entirely with what you say about the correct interpretation of 1 Cor. 6:1-9. Many thanks and blessings for being so frank." - In Christ, Giancarlo Elia, Light to the Nations Ministries, London, UK

"Dear Reverend Steve: Wow! I can't believe the Setters may be getting off so lightly. This is very disheartening considering that I've been scammed out of \$17,800. All the sites and online bulletin boards that used to discuss the IPIC topic no longer exist and it's like everyone just wants this issue to be swept under the carpet. The IPIC receiver doesn't even respond to emails anymore and I'm afraid I won't be getting a single dime back. I'm extremely disappointed but there is not much I can do. May God bless both of us. You take care of yourself Rev. Steve and warn others." -Tim Plaza

"My wife and I have been trying to have children for over 5 yrs and have been unable to. We've prayed that there would be some way to have children. The doctors said that we may want to look into adoption. We even shared this with Charnelle and Cassie Setser. We lost all of our money that was intended to be for our adoption this year. My wife has a lot of bitterness and sorrow! We only pray that something will work out." -Ted Arciaga

POST YOUR COMMENTS TOO [CLICK HERE](#)

IPIC INVESTIGATION AND PROSECUTION UPDATE:

According to FBI Investigating Agent Matt Segedy the scheduled trial of Setser, et al, will most likely happen in February or March 2005.

(NOTE: Rev. Steve still maintains that Greg Setser and others have made plea agreements with the USAO - Setser will escape with a light sentence, perhaps 2 years max, but those who were also selling, marketing and merchandising IPIC will face charges too and face harsher penalties for their sanctimonious cover ups, obstruction and lies to federal agents. The only reason the FBI/USAO maintains silence on this point, in Rev Steve's opinion, is because Setser is a live microphone, essentially working for the FBI to corroborate Setser's side of the story and pin down the others involved. FBI agent Neyland's official response to Rev. Steve's claim is to "neither confirm nor deny." If the FBI and or the USAO formally denies this Rev. Steve will remove the claim immediately, but they won't)

Anyone with any information helpful in the IPIC INVESTIGATION should call him at 972-559-5000.



Ralph Wilkerson rides with Greg Setser (on cell) as they give forth New Revelation to the Body of Christ



Pilot (left) and Greg Setser with plane purchased for \$450k from Pastor Ed Dufresne

PRESS RELEASES:

[UNITED STATES SECURITIES EXCHANGE COMMISSION - 11/18/2003](#)

[UNITED STATES ATTORNEY \(NORTHERN DISTRICT OF TEXAS\) - 11/18/2003](#)

[FAQ's from the Receivers web site](#)

[U.S. SECURITIES AND EXCHANGE COMMISSION RECEIVERSHIP WEBSITE](#)

PRESS COVERAGE:

CHRISTIAN EXAMINER: *Reinhard Bonnke's board member arrested and Ralph Wilkerson's name crops up the man who introduced Greg Setser to ministers.* [CLICK HERE](#)

PRESS ENTERPRISE REPORTS: *Several ministries that made money with IPIC set up a victims' trust fund.* [CLICK HERE](#)

Los Angeles Times: *"Foursquare Gospel lost \$14 million invested in what authorities allege were Ponzi schemes." Top leadership Resignations* [CLICK HERE](#)

Sacramento Bee: *"Alleged scam stuns its victims Assembly of God Church leaders and members say they lost millions"* [CLICK HERE](#)

TRINITY BROADCASTING NETWORK NEWS - [CLICK HERE](#)

PETE EVANS OF THE TRINITY FOUNDATION VINDICATES BENNY HINN'S ATTORNEY DAVID MIDDLEBROOK - [CLICK HERE](#)

"SOME WERE VICTIMS, SOME ARE VICTIMIZERS. LET'S MAKE SURE A PRESENCE OF JUSTICE PREVAILS FOR ALL!" -Rev Steve Anderson

HOME PAGE

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Steve Anderson...for You!

Groups pledge to send help

INVESTMENT: Several ministries that made money with IPIC set up a victims' trust fund.

Published Friday, February 6, 2004 The Press-Enterprise

Investors who received what they thought were profits from International Product Investment Corp. are pooling their money to help those whoweren't as lucky, members of a Texas law firm said.

A group of prominent Christian ministries says they saw profits from IPIC's investments. Members of these religious groups received handsome returns on the money they gave Ontario-based businessman Gregory Setser and his associates, but the federal government claims these profits were actually paid with funds from subsequent investors, the classic definition of a Ponzi scheme.

Groups that include Marilyn Hickey Ministries, Christ For All Nations and Pastor Benny Hinn have set up a trust fund, seeking to pool money made throughIPIC to compensate other victims, said David Middlebrook, an Irving, Texas-based attorney who works with religious groups.

The compensation fund has the approval of the court-appointed receiver responsible for liquidating the assets of Setser, his family members and IPIC.

"The court will in some manner parcel it out to victims," Middlebrook said by phone. "There could be a lot of elderly victims who are especially hard-hit."

Middlebrook said the FBI has told him this appears to be one of the biggest Ponzi schemes the agency has ever investigated. He said it's hard to determine exactly how many victims exist, but he estimated it could be in the thousands. Investment money came from faith-based groups with dozens of members, and victims are showing up all over the world.

The money involved could be as much as \$350 million, Middlebrook said.

You want to believe someone wouldn't do this, especially when they shroud themselves in Christianity," Middlebrook aid. "I can't say with complete candor that I understand the magnitude of this."

federal officers arrested Setser and several family members in November. He remains in custody in Dallas, where he faces money laundering and securities fraud charges. Attorneys who represented Setser and his wife, Cynthia, in California did not return calls seeking comment.

court documents filed in December, the receiver recommended selling assets including a 103-foot yacht worth \$2.3 illion and a \$1.1 million helicopter.

he receiver says family members had not been cooperative in unraveling IPIC's complex finances.

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BACK

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This page Last modified: Friday, April 09, 2004 11:15:02 PM

---Original Message---

From: Rev. Steve Anderson [mailto:RevSteve@steve4u.com]
Sent: Monday, October 11, 2004 8:36 PM
To: Mass Mailing
Subject: GUINN SMITH / MIDDLEBROOK

STEVE4U EXCLUSIVE:

ATTORNEY DAVID MIDDLEBROOK & LAW FIRM ADVISED CROUCH TO PAY \$425K TO GAY ACCUSER LA TIMES REVEALED - CROUCH HAS NOW REMOVED MIDDLEBROOK AS ATTORNEY.

Middlebrook still represents Benny Hinn, and many other major ministries. Many believe Middlebrook sets up scenarios like Crouch's to benefit through representation. **IS THIS REALLY TRUE!!!**

Now in a Steve4u exclusive, GREG SETSER FAMILY SPOKESPERSON SPEAKS OUT CONCERNING BENNY HINN'S ATTORNEY, DAVID MIDDLEBROOK AND CPA HIRM GUINN SMITH [CLICK HERE](#)

Here's a portion:

REV. STEVE: "Middlebrook has a definite conflict of interest. This is what he does. First he targets a lucrative Ministry, he then has his goons contact them whose names are Don and James Guinn, who have a ministry base of clients they defend and do their accounting. They contact these ministries by stating they have contact inside the FBI or most used, the IRS. They begin to inform this potential client that they have heard from their inside contacts that they are a target of an investigation and that there 501c3 is at risk as well as they could be prosecuted for what the government thinks they have done. Fear runs rampant. The minister is scared out of his mind. Then guess who shows up after the set up is made, Middlebrook! He then begins to tell them that he can and will protect them as he does Benny Hinn and that his contacts in the government are equal to none. He has the clout and the history with Benny to qualify him before them who now desperately need his services. He then collects \$25K as a retainer and then the bills begin to flow. The Guinn's get their invoices in as well as many others who the Guinn's bring in to help seal up this ministry and create the dependence that is necessary to control this new client. The client is actually grateful and Middlebrook's influence grows to new heights. FULL TEXT AT WWW.STEVE4U.COM/DAVIDMIDDLEBROOK.HTM

WWW.STEVE4U.COM/DAVIDMIDDLEBROOK.HTM

TELL REV. STEVE WHAT YOU THINK



HELP WANTED!

INFORMANTS NEEDED

PRIVATE INVESTIGATORS NEEDED

FREELANCE PHOTOGRAPHERS NEEDED

KNOWLEDGABLE SOURCES NEEDED TO COME FORWARDED

ANONYMITY OK

**TRUTHFUL INFO, DOCUMENTS, STORIES AND PICTURES OF DAVID MIDDLEBROOK
AND GUINN SMITH WANTED TO POST ON STEVE4U. HELP, I CAN'T DO IT ALONE!**

REV. STEVE ANDERSON ...FOR YOU!

HEALING WATERS CHURCH

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(951) 344-8236 - FAX

WWW.STEVE4U.COM/HOME.HTM

Message

Jeanette Kelch

From: Patricia Sudbay [psudbay@brewerlawgroup.com]
Sent: Wednesday, October 13, 2004 5:22 PM
To: David Middlebrook; Matt Anthony - BlackBerry; William McDaniel
Subject: FW: BENNY HINN LEGAL ATTACK ON PASTOR OVER MIDDLEBROOK

Dave,

Ruby from Fellowship of the Woodlands called to say she received this email in a mass mailing and is quite upset at the content. She doesn't know how Steve4u got her email address and was not familiar with his organization.

Dave - she would like you to call her. She particularly mentioned the abuse charges against you.

-----Original Message-----

From: Ruby Kuhmichel [mailto:rkuhmichel@fotw.org]
Sent: Wednesday, October 13, 2004 4:28 PM
To: psudbay@brewerlawgroup.com
Subject: FW: BENNY HINN LEGAL ATTACK ON PASTOR OVER MIDDLEBROOK

-----Original Message-----

From: Rev. Steve Anderson [mailto:Revsteve@steve4u.com]
Sent: Wednesday, October 13, 2004 4:14 PM
To: 'Mass Mailing'
Subject: BENNY HINN LEGAL ATTACK ON PASTOR OVER MIDDLEBROOK

BOMBSHELL: TELEVANGELIST BENNY HINN HAS INITIATED LEGAL ATTACK ON REV. STEVE ANDERSON AND HIS REVELATIONS CONCERNING HINN'S ATTORNEY DAVID MIDDLEBROOK, INCLUDING MIDDLEBROOK'S ARREST FOR CHILD INDECENCY.

BENNY HINN HAS HIRED WILLIAM McDANIEL, JR. THAT UNSUCCESSFULLY SUED MATT DRUDGE FOR \$30 MILLION DOLLARS. HINN'S ATTORNEY TELLS REV. STEVE "YOU ARE GOING TO SUFFER"

REV. STEVE SAYS: "THE TRUTH SHALL SET ME FREE!" LEGAL ACTION EXPECTED ANYTIME AFTER OCTOBER 14TH. FULL INFO SHALL BE POSTED HERE.

REV. STEVE WILL NOT RETREAT, RETRACT OR BACK DOWN. HE ASKS FOR YOUR PRAYERS AND THAT YOU SPREAD THE WORD CONCERNING THIS LEGAL ATTACK AGAINST HIM. CALL EVERY NEWS OUTLET YOU KNOW. BENNY HINN SUPPORTERS SHOULD BE SHOCKED! RESPOND TO REV. STEVE WHAT DO YOU THINK?

WWW.STEVE4U.COM/DAVIDMIDDLEBROOK.HTM

Ministry of Healing Waters Church

10/14/2004





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pete evans middlebrook

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[ATTORNEY DAVID MIDDLEBROOK - IPIC - Greg Setser, Benny Hinn, et al](#)

[ATTORNEY DAVID OWEN MIDDLEBROOK. PETE EVANS OF THE TRINITY FOUNDATION VINDICATES BENNY HINN'S ATTORNEY DAVID MIDDLEBROOK. Throughout ...](#)

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[IPIC FRAUD CASE PIX - Greg Setser, Ralph Wilkerson, Benny Hinn and ...](#)

[... TRINITY BROADCASTING NETWORK NEWS - CLICK HERE. PETE EVANS OF THE TRINITY FOUNDATION VINDICATES BENNY HINN'S ATTORNEY DAVID MIDDLEBROOK - CLICK HERE. HOME PAGE. ...](#)

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[... Chart for Robert Gordon. Joshua Middlebrook was the son of G Middlebrook and Tania Lonsdale. K Evans \(F\). Appears on charts: Descendant ...](#)

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[... Evans, Darrell · Evans, Faith · Evans, Gil · Evans, H. · Evans, Lee · Evans, Michele · Evans, Sara · Evans and Ron Middlebrook, Steve · Evans, Elihor ...](#)

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Steve Anderson...for You!

ATTORNEY DAVID OWEN MIDDLEBROOK



PETE EVANS OF THE TRINITY FOUNDATION VINDICATES BENNY HINN'S ATTORNEY DAVID MIDDLEBROOK

Throughout the IPIC scandal, rumors have swirled concerning Attorney David Middlebrook and his client Benny Hinn. On August 20, 2004, Rev. Steve turned to the Trinity Foundation to prove or dispel some of these terrible rumors. Trinity touts itself as a watchdog foundation that maintains a private investigative license with the State of Texas and frequently provides undercover operatives to news programs like PrimeTime Live, 60 Minutes, Dateline, etc. and has been highly critical of Benny Hinn and other televangelists in the past.

After a ten day inquiry, Trinity's top watchdog PETE EVANS responded to Rev. Steve about 2003 child indecency charges Middlebrook was arrested for, stating: "*The District Attorney dropped the charges against Middlebrook because his ex-wife Katherine was making false charges against him to gain advantage in the divorce proceedings.*" Pete also added concerning rumors of purported compromising photos of Benny Hinn which is keeping Hinn bound to Middlebrook against his will: "*We do not believe Middlebrook is blackmailing Hinn.*"

Attorney Middlebrook has a starring role in the ongoing IPIC Criminal investigation as a key witness. He seems to be quoted in every article concerning Greg Setser and the IPIC Investment matter. Many have wondered if he is the capstone for justice in the IPIC scandal or just an opportunist? Rev. Steve felt that the Trinity Foundation's declaration of Middlebrook and Hinn's innocence was appropriate given their pointed criticism of Hinn and company in the past. Now, perhaps with this revelation of truth, these rumors have been dispelled and whoever is spreading them will STOP!
(Attorney Middlebrook pictured left)

Tell Rev. Steve what YOU think and know?

"I have just looked at your web site concerning the Greg Setser, and saw that you are, in a way advocating that people contact David Middlebrook for assistance in that matter. What I have been told and something you should be aware of is that David Middlebrook, was contacting investors prior to Setser being arrested and telling them that they would also be investigated in the Setser matter, and that if they paid him a 25 thousand dollar retainer then he could prevent that from happening. By doing this it seems that Middlebrook was using Setser in his own way to make money. Also Middlebrook was arrested last year for unlawful sexual contact with a minor. If you do a record search in Dallas county court system you will find the arrest record. It would appear to me that you need to be more careful with who you do business with." - Anonymous

"Rev Steve: Thank you for having an open mind. Hopefully this report of yours will help to set the record straight. Thank you." - Matt Anthony, (Attorney for David Middlebrook, Paul Crouch and Benny Hinn)

HOME PAGE

This website is a Ministry of Healing Waters Church

For More Information Contact:

Healing Waters Church

Rev. Steve Anderson, Pastor

1355 E. Alessandro Blvd., Suite 201

Riverside, CA 92507

(951) 656-3590 - Office

(951) 344-8236 - FAX

Email: Info@healingwaterschurch.com

This page Last modified: Thursday, September 23, 2004 02:36:21 PM

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This page partially refers to the ongoing investigation and prosecution by the United States Attorney's Office, the Securities Fraud Task Force, which includes representatives from the Securities and Exchange Commission, the Texas State Securities Board, the Federal Bureau of Investigation and the Internal Revenue Service along with the public tenaciousness of Rev. Steve Anderson and others.

NOTE: Comments expressed herein do not necessarily reflect the views and or opinions of Rev. Steve Anderson and/or Healing Waters Church. This ministry website simply provides a platform in the public arena of democracy.

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These search terms have been highlighted: **david middlebrook steve anderson**

Steve Anderson...for You!

Groups pledge to send help

INVESTMENT: Several ministries that made money with IPIC set up a victims' trust fund.

Published Friday, February 6, 2004 The Press-Enterprise

Investors who received what they thought were profits from International Product Investment Corp. are pooling their money to help those whoweren't as lucky, members of a Texas law firm said.

A group of prominent Christian ministries says they saw profits from IPIC's investments. Members of these religious groups received handsome returns on the money they gave Ontario-based businessman Gregory Setser and his associates, but the federal government claims these profits were actually paid with funds from subsequent investors, the classic definition of a Ponzi scheme.

Groups that include Marilyn Hickey Ministries, Christ For All Nations and Pastor Benny Hinn have set up a trust fund, seeking to pool money made throughIPIC to compensate other victims, said **David Middlebrook**, an Irving, Texas-based attorney who works with religious groups.

The compensation fund has the approval of the court-appointed receiver responsible for liquidating the assets of Setser, his family members and IPIC.

"The court will in some manner parcel it out to victims," Middlebrook said by phone. "There could be a lot of elderly victims who are especially hard-hit."

Middlebrook said the FBI has told him this appears to be one of the biggest Ponzi schemes the agency has ever investigated. He said it's hard to determine exactly how many victims exist, but he estimated it could be in the thousands. Investment money came from faith-based groups with dozens of members, and victims are showing up all over the world.

The money involved could be as much as \$350 million, Middlebrook said.

You want to believe someone wouldn't do this, especially when they shroud themselves in Christianity," Middlebrook said. "I can't say with complete candor that I understand the magnitude of this."

Federal officers arrested Setser and several family members in November. He remains in custody in Dallas, where he [tp://216.239.41.104/search?q=cache:FHP9PnD8iOgJ:www.steve4u.com/setserpress3.htm+david+middlebrook+steve+anderson&hl=en](http://216.239.41.104/search?q=cache:FHP9PnD8iOgJ:www.steve4u.com/setserpress3.htm+david+middlebrook+steve+anderson&hl=en)

several ministries that made money with IPIC set up a victims' trust fund. Greg Setser, Attorney Fraud

faces money laundering and securities fraud charges. Attorneys who represented Setser and his wife, Cynthia, in California did not return calls seeking comment.

In court documents filed in December, the receiver recommended selling assets including a 103-foot yacht worth \$2.3 million and a \$1.1 million helicopter.

The receiver says family members had not been cooperative in unraveling IPIC's complex finances.

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NorCalNeveA JoeUser Article

district had invested \$3.4 million, "and we've got back all but \$448,000." But the 180 individual investors - whose money was used to pay earlier investors, according to the SEC - lost at least \$7.5 million, Hannay said. "I'm down \$151,000," he said. "It's something that caught me totally by surprise."

Robert L. Stephens, a pastor from Paradise, said he's pastored Setser's mother - IPIC's corporate secretary - and a sister who's not involved in the business. "They're good workers, upstanding citizens, lovely people in every way," Stephens said, adding that Setser's mother told him "if they unfroze the assets, she could write everybody a check for their investment. She thinks it's all a big mistake."

Cole said Setser's representatives have told him \$45 million worth of motor scooters are sitting on a dock in Long Beach. "There is still a lot of hope that there will be repayment," he said. He promised to pay members' medical bills, even if he has to take out a second mortgage on the district's \$5 million Sacramento headquarters.

Federal agents searching Setser's Rancho Cucamonga home found a copy of the book "How to Be Invisible" and a printout on "The Complete Guide to Off-Shore Money Havens," which, Cole admitted, "is somewhat incriminating."

Reply By: Steve Anderson(Anonymous User)

Posted: Wednesday, April 21, 2004

From Attorney Robert Rucker: I am an attorney working for **David Middlebrook**. We are representing certain church and ministry clients related to the Setser/IPIC matter. Beyond that, I cannot discuss details of our legal representation. We believe we have acted as responsible counsel would have under these circumstances to protect their clients' best interests. As to the extent of our involvement in this investigation, we represent only a small fraction of the larger number, thought to be over 1000, of ministries and individuals who were brought into this scheme, and we have no discretion as to its ultimate outcome. That will be decided by the court-appointed Receiver, the U.S. Attorney, the FBI, the SEC, and the U.S. District Judge. Good luck covering this story. Portion of comments made by Attorney Robert Rucker to Rev. **Steve Anderson** www.Steve4u.com/affinityfraud.htm

Reply By: RSA(Anonymous User)

Posted: Wednesday, April 21, 2004

ATTORNEY ED MASRY OF THE "ERIN BROCKOVICH" NOTORIETY (for all victims and those falsely accused) <http://www.masryvittoe.com/> or you can call them toll-free at 1-800-561-5500

ATTORNEYS **DAVID MIDDLEBROOK AND ROBERT RUCKER** - ATTORNEYS IN IRVING, TEXAS (only certain church & ministry clients) <http://www.brewerlawgroup.com/> or you can call them at 972-870-9898

A word from Rev. Steve concerning the use of the legal arena in this situation: Many have misapplied 1 Corinthians 6:1-9 to this matter. This isn't a mere grudge match between feuding brethren. This is part of the good fight of faith, the type Paul the Apostle, prepared and then fought in. Titus 3:13 (KJV) "Bring Zenas the lawyer and Apollos on their journey diligently, that nothing be wanting unto them." This fight of faith is for the integrity of the ministry grievous wolves have tried to tear up. The legal arena is quite the appropriate arena to stop it and receive restitution for victims and for those falsely persecuted as well by false allegations. When Esther pleaded the cause of Israel to the King, It was clearly handled in a legal forum. God uses his people and the system of jurisprudence founded upon the principles of the Word of God. As Martin Luther King wrote to pastors in a Birmingham prison "Peace is not the absence of conflict, it is the presence of Justice!" I really question naysayers reasons for the righteous to stand down from pursuing justice in this corruption. Rev. **Steve Anderson**, Th. D. MORE INFO www.STEVE4U.com/home.htm

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Down!

Reply By: District Council Report(Anonymous User)

Posted: Wednesday, April 21, 2004

Rev. James Braddy is the new District Superintendent. Rev. Samuel Huddleston is the new Assistant District Superintendent. Little mention of IPIC so far at District Council.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

DAVID MIDDLEBROOK, JAMES GUINN,
DONALD GUINN, and WORLD HEALING
CENTER CHURCH, INC.,
d/b/a BENNY HINN MINISTRIES,

Plaintiffs,

v.

Civil Action No. 304CV2294D

STEVEN ANDERSON and
HEALING WATERS CHURCH, INC.,

Defendants.

**DECLARATION UNDER PENALTY OF PERJURY
OF DONALD GUINN**

DONALD GUINN, under penalty of perjury and upon personal knowledge, declares as follows:

1. My name is Donald Guinn.
2. I am over eighteen (18) years of age.
3. I am competent to testify to the matters set forth in this Declaration.
4. I testify to the matters set forth in the Declaration from my personal knowledge.
5. I am one of the plaintiffs in this case.
6. I reside at 2322 Queenston Drive, Grand Prairie, Texas 75050.



IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

DAVID MIDDLEBROOK, JAMES GUINN, §
DONALD GUINN, and WORLD HEALING §
CENTER CHURCH, INC., §
d/b/a BENNY HINN MINISTRIES §
§
Plaintiffs, §
§
v. § Civil Action No. 304 CV 2294D
§
STEVEN ANDERSON and §
HEALING WATERS CHURCH, INC. §
§
Defendants. §
§
STATE OF TEXAS §
§
COUNTY OF DALLAS §

AFFIDAVIT OF MICHAEL D. CLARKE

On this the 13th day of December, 2004, appeared before me, the undersigned notary public. After I administered an oath to him, upon his oath, he said:

My name is Michael D. Clarke. I am competent to make this affidavit. I reside, and resided, in McKinney, Collin County, Texas, at all times relevant to this cause. The facts stated in this affidavit are within my personal knowledge and are true and correct.

In October 2004, Steven Anderson and Healing Waters Church, Inc., jointly and severally, sent an e-mail via Internet directed to a general e-mail account of my employer, World Healing Center Church, Inc., d/b/a Benny Hinn Ministries, ("Church"). The Church is headquartered and maintains its main corporate offices at Grapevine, Tarrant County, Texas. The e-mail contained a number of statements accusing plaintiffs David Middlebrook, Jim Guinn, Donald Guinn, and World Healing Center Church, d/b/a Benny Hinn Ministries, joint and severally, of deliberately misleading and cheating and attempting to mislead and cheat various religious ministries and persons associated with those ministries. At the time of receipt of these Internet communications, I was a resident



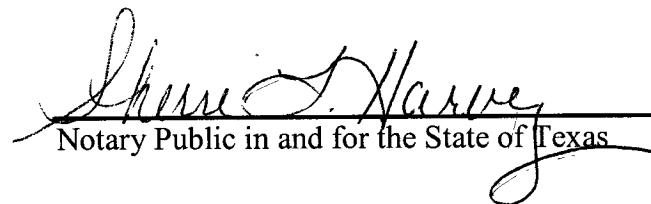
of McKinney, Collin County, Texas. I had not requested or sought out any such communications, from Steven Anderson and/or Healing Waters Church, Inc.

I am attaching a copy of what was received as Exhibit "A."



MICHAEL D. CLARKE

SWORN TO and SUBSCRIBED before me by Michael D. Clarke, on this the
13th day of December, 2004.



Notary Public in and for the State of Texas

-----Original Message-----
Case 3:04-cv-02294-D Document 11 Filed 12/15/04 Page 67 of 72 PageID 131
From: Rev. Steve Anderson [mailto:RevSteve@steve4u.com]
Sent: Monday, October 11, 2004 8:36 PM
To: Mass Mailing
Subject: GUINN SMITH / MIDDLEBROOK

STEVE4U EXCLUSIVE:
ATTORNEY DAVID MIDDLEBROOK & LAW FIRM ADVISED CROUCH TO PAY \$425K TO GAY ACCUSER LA TIMES REVEALED - CROUCH HAS NOW REMOVED MIDDLEBROOK AS ATTORNEY.

Middlebrook still represents Benny Hinn, and many other major ministries. Many believe Middlebrook sets up scenarios like Crouch's to benefit through representation. **IS THIS REALLY TRUE!!!**

Now in a Steve4u exclusive, GREG SETSER FAMILY SPOKESPERSON SPEAKS OUT CONCERNING BENNY HINN'S ATTORNEY, DAVID MIDDLEBROOK AND CPA HIRM GUINN SMITH [CLICK HERE](#)

Here's a portion:

REV. STEVE: "Middlebrook has a definite conflict of interest. This is what he does, First he targets a lucrative Ministry, he then has his goons contact them whose names are Don and James Guinn, who have a ministry base of clients they defend and do their accounting. They contact these ministries by stating they have contact inside the FBI or most used, the IRS. They begin to inform this potential client that they have heard from their inside contacts that they are a target of an investigation and that there 501c3 is at risk as well as they could be prosecuted for what the government thinks they have done. Fear runs rampant. The minister is scared out of his mind. Then guess who shows up after the set up is made, Middlebrook! He then begins to tell them that he can and will protect them as he does Benny Hinn and that his contacts in the government are equal to none. He has the clout and the history with Benny to qualify him before them who now desperately need his services. He then collects \$25K as a retainer and then the bills begin to flow. The Guinn's get their invoices in as well as many others who the Guinn's bring in to help seal up this ministry and create the dependence that is necessary to control this new client. The client is actually grateful and Middlebrook's influence grows to new heights. FULL TEXT AT WWW.STEVE4U.COM/DAVIDMIDDLEBROOK.HTM

WWW.STEVE4U.COM/DAVIDMIDDLEBROOK.HTM

TELL REV. STEVE WHAT YOU THINK



HELP WANTED!

INFORMANTS NEEDED

PRIVATE INVESTIGATORS NEEDED

FREELANCE PHOTOGRAPHERS NEEDED

KNOWLEDGABLE SOURCES NEEDED TO COME FORWARDED

ANONYMITY OK

**TRUTHFUL INFO, DOCUMENTS, STORIES AND PICTURES OF DAVID MIDDLEBROOK
AND GUINN SMITH WANTED TO POST ON STEVE4U. HELP, I CAN'T DO IT ALONE!**

REV. STEVE ANDERSON ...*FOR YOU!*

HEALING WATERS CHURCH

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On this the 13th day of December, 2004, appeared before me, the undersigned notary public. After I administered an oath to him, upon his oath, he said:

My name is Stephen M. Lacy. I am competent to make this affidavit. I reside, and resided, in Grapevine, Tarrant County, Texas, at all times relevant to this cause. The facts stated in this affidavit are within my personal knowledge and are true and correct.

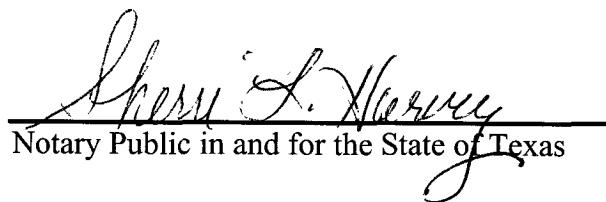
In October 2004, Steven Anderson and Healing Waters Church, Inc., jointly and severally, sent an e-mail regarding plaintiffs David Middlebrook, Jim Quinn, and/or Donald Guinn via Internet directed to a general e-mail account of my employer, World Healing Center Church, Inc., d/b/a Benny Hinn Ministries, ("Church"). The Church is headquartered and maintains its main corporate offices at Grapevine, Tarrant County, Texas. At the time of receipt of these Internet communications, I was a citizen of Grapevine, Tarrant County, Texas. I had not requested or sought out any such communications, from Steven Anderson and/or Healing Waters Church, Inc.



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SWORN TO and SUBSCRIBED before me by Stephen M. Lacy, on this the
13th day of December, 2004.


Sheri L. Harvey
Notary Public in and for the State of Texas

From: Case 3:04-cv-02294-D [mailto:Shelley.Poster.Spooner@document.org] Filed 12/15/04 Page 71 of 72 PageID 135
Sent: Tuesday, October 12, 2004 5:44 PM
To: Steve Lacy
Subject: FW: GUINN SMITH / MIDDLEBROOK

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Now in a Steve4u exclusive, GREG SETSER FAMILY SPOKESPERSON SPEAKS OUT CONCERNING BENNY HINN'S ATTORNEY, DAVID MIDDLEBROOK AND CPA HIRM GUINN SMITH [CLICK HERE](#)

Here's a portion:

REV. STEVE: "Middlebrook has a definite conflict of interest. This is what he does, First he targets a lucrative Ministry, he then has his goons contact them whose names are Don and James Guinn, who have a ministry base of clients they defend and do their accounting. They contact these ministries by stating they have contact inside the FBI or most used, the IRS. They begin to inform this potential client that they have heard from their inside contacts that they are a target of an investigation and that there 501c3 is at risk as well as they could be prosecuted for what the government thinks they have done. Fear runs rampant. The minister is scared out of his mind. Then guess who shows up after the set up is made, Middlebrook! He then begins to tell them that he can and will protect them as he does Benny Hinn and that his contacts in the government are equal to none. He has the clout and the history with Benny to qualify him before them who now desperately need his services. He then collects \$25K as a retainer and then the bills begin to flow. The Guinn's get their invoices in as well as many others who the Guinn's bring in to help seal up this ministry and create the dependence that is necessary to control this new client. The client is actually grateful and Middlebrook's influence grows to new heights. FULL TEXT AT WWW.STEVE4U.COM/DAVIDMIDDLEBROOK.HTM

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TELL REV. STEVE WHAT YOU THINK



HELP WANTED!

INFORMANTS NEEDED

PRIVATE INVESTIGATORS NEEDED

FREELANCE PHOTOGRAPHERS NEEDED

KNOWLEDGABLE SOURCES NEEDED TO COME FORWARDED

ANONYMITY OK

**TRUTHFUL INFO, DOCUMENTS, STORIES AND PICTURES OF DAVID MIDDLEBROOK
AND GUINN SMITH WANTED TO POST ON STEVE4U. HELP, I CAN'T DO IT ALONE!**

REV. STEVE ANDERSON ...*FOR YOU!*

HEALING WATERS CHURCH

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